The Financial Post

The Canadian Newspaper for Businessmen and Investors

Vol. XLII Fifteen Cents an Issue, Five Dollars a Year | Publication Office: Toronto, March 27, 1948 | Member of Audit Bureau of Circulations | No. 13

Canada's Top Fisherman

The Fisheries Council of Canada, comprising 14 organizations representing individuals, corporations and co-operatives in all provinces producing and marketing 95% of the total dollar value of Canadian commercial fish production this week elected as their president John M. Buchanan, president, British Columbia Packers Ltd. Buchanan, 50, has headed up B. C. Packers, largest packers of fish and fish products in Canada, since 1946. Prior to that, for 11 years he had served the company as general manager, has spent almost his entire business career from boyhood up in the fishing industry.

THE NATION'S BUSINESS

Every Worker Has Stake in Profits

Listening to some of the questioning at the current prices probe at Ottawa, or reading the few sensational reports the press has been able to develop from the evidence submitted, a stranger to Canada's economy might gain the impression that there was something very wrong, almost unholy about a profit. Certainly he would not understand that the very foundation of our whole economic system rests upon the hope of a reasonable profit, that this country was developed on that basis and can only hope to continue to develop on the same basis.

It was the incentive of profits that sent men into the bush to develop our lumber trade, clear our farms, open our mineral wealth, and build our first railways.

By no means were all their ventures successful. There were losses as well as gains, failures as well as successes. But that is part of our economic system. So long as there is a reasonable chance of a profit, losses will be risked.

Without the hope of profit this pioneer development could not have taken place and without that development there would not be nearly enough jobs to go round in Canada today. Every worker has a stake in his company's profits.

Which company does the young man seeking a life career today choose to join? One that is well established with a record of profitable operation behind it, or one that has had continuous struggle to break even?

He doesn't hesitate, because he knows that only the profitable concern can give him real security and opportunity to advance. Without a profit, business simply cannot exist, and without a substantial profit it cannot hope to expand. Profits are the seed of industry, the seed that plowed back into the business, germinates and grows into new business, and new jobs.

We can't have healthy, growing business without a healthy profit and it is dangerous hypocrisy to advocate otherwise. The solution for our present troubles does not lie in the elimination or drastic curbing of profits but in increasing production. So long as there are no curbs on the flow of goods, no stifling of competition, there need be no uneasiness over profits. Only if profits start to vanish will there be cause for real alarm.

That is a fact the prices committee at Ottawa might well keep in mind. Profit is a normal and vital part of our economy.

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Let's Stand on Our Own Feet

Donald Gordon heaved his hefty frame out of a chair this week and told the Investment Dealers' Association something that is worth every Canadian's attention.

What the Bank of Canada deputy governor said amounted to this. Stop calling on Government to solve all your problems; don't try to escape your own individual share of responsibility for achieving what you want and avoiding what you don't want.

Commenting on the wartime exhortations to the people of Canada for support of the program of price control and rationing, Mr. Gordon said:

> "These methods of control can no longer be applied on a wartime basis today....
>
> "I suggest you get out of the habit of thinking that this problem (of continuing inflation) is purely a government problem. The time is past for government effort only. This question of prices has become the personal problem of each citizen.
>
> "As consumers, let's complain long and loudly about high prices. And let's do without a whale of a lot of things until the price gets down to a respectable level. And, for obvious reasons, let's look over imported stuff and get along without it wherever we can."

Hardly a week passes in which somebody isn't demanding reduced taxes and less bureaucracy and fewer governmental controls and government action on their pet project. That just doesn't make sense. Wherever two or three are gathered together in the name of welfare (their own or somebody else's) ways of spending money and of reducing the individual's freedom of choice, can always be concocted.

As for the howls that periodically arise for renewed price controls, here is the best brief and authoritative statement of the case against renewed price controls that we have seen:

> "Let us never forget the setting in which wartime price control operated. It was our deliberate policy to keep down and indeed, to reduce civilian production, so that more and more of our resources could be used to make war. In other words, we were creating scarcity. Price control and rationing were both necessary to ensure a fair distribution of scarce goods.
>
> "But once fighting ceased, our first concern was to reverse the engines, and to put the economic machine into full speed forward. We no longer wanted to create scarcity. Our aim was the exact opposite. We sought to encourage the rapid expansion of production to meet the pent up demand for goods. The Government knew that production would not be expanded if the nation's economy was kept in a wartime strait jacket."

That's what Prime Minister King told the Advisory Council of the National Liberal Federation a few months ago. It couldn't be said better.

Studebaker to Earn Car Export Dollars

Canadian Plant Swings Deal to Take Over Hard-money Export Orders From U. S. Parent Organization; Worth $1 Million This Year

The fledgling Studebaker Corp. of Canada has just given the established but dollar-short Canadian auto industry an object lesson in squeezing into overseas hard currency markets.

Through an arrangement with the parent firm, the Canadian branch will get almost all of Studebaker's overseas business.

It would have got the whole lot except that two South American customers have higher duty on Canadian cars than American. These will continue to get their cars from Studebaker's Toledo plant.

The rest of the firm's hard currency business has been turned over to the Canadian firm. Production is expected to get under way at the Hamilton plant by mid-summer. Tooling is well under way now.

What It Means To Studebaker

This year this unique export arrangement will mean an extra 1,000 cars from Studebaker's Hamilton plant or about one million hard-to-get U. S. dollars. Next year, perhaps twice as many cars; twice as many U. S. dollars.

This is the kind of hard-currency export arrangement Ottawa's dollar savers have been urging on the auto industry since the exchange problem became acute.

They thought it shouldn't be too difficult for Canadian branch plants to get their parent firms to turn all or at least a big slice of their hard currency export business over to their dollar-short Canadian offshoots.

In this way, the Canadian industry would be able to bring dollar earnings more into line with dollar expenditures for parts which have to be bought in the United States.

The Studebaker deal is the first achievement along these lines. Because of what Studebaker is doing to earn dollars for Canada,

(Continued on page 3, col. 1)

Ottawa Studies New Auto Plan To Aid Exports

OTTAWA (Staff) — Plans are under discussion here to make an important revision in the export incentive feature of dollar-saving plans for the automobile industry.

Presumably if the new plan is approved, it would be extended to other industries such as electric appliances, radio, office machinery. These other industries are now carrying on intensive negotiations with Ottawa officials looking towards a dollar-saving formula to suit their individual needs and circumstances.

The new export incentive plan aims to divide export markets as between scheduled and non-scheduled countries, or, alternatively to segregate countries which now draw on the sterling area "pool."

Under the plan now in effect in the automotive industry, manufacturers receive a special dollar allotment equal to 55% of the amount by which export in 1948 exceeds 90% of exports in the base period. This has been calculated to earn individual manufacturers about twice as many U. S. dollars on additional export business as on business which merely serves the home market.

But if Canadian manufacturers find themselves losing ground in sterling area markets (as is presently the case) this penalizes any gain in hard currency markets. The new proposals now under consideration aims to segregate hard and soft currency exports and allow the special dollar bonus on hard currency earnings even if total exports are down.

Paper Shortage is Easing See Stiffer Competition

MONTREAL (Staff) — There are indications this spring that the great postwar paper shortage is easing. In both United States and Canada, market surveys have revealed soft spots here and there; with the possible exception of newsprint.

In Canada, Rolland Paper Co. in its annual report states: "Present indications point to an easement in the paper situation." E. W. Tinker, executive secretary, American Paper and Pulp Association says: "Large investments in new paper and pulp production capacity, exclusive of newsprint, should make it possible for the industry to meet heavy requirements for most grades of paper in the United States."

In a spot check among paper manufacturers and wholesalers, The Financial Post got these reports:

High-grade, High Rag-Content Papers—Supply is good, and said to be meeting demand. This is the result of a greater rag supply and some increase in production facilities. Demand also is said to be down noticeably from last year this time. Inventory pipelines are said to be full in most cases, or building up rapidly.

Other Types of Fine Papers—supply-demand situation spotty. There is some easing of demand compared to last year but this does not apply to all types of paper. In some grades mills are running three months behind or-

(Continued on page 3, col. 5)

B.C. Electric Co. Is Said Planning $17 Million Issue

MONTREAL (Staff) — Formal announcement is expected next week of an issue of $17 millions of British Columbia Electric Co. 20-year bonds, 3¾%. Proceeds will be used to finance the company's expansion program now in progress it is stated and to increase working capital, which as at Dec. 31, 1947, was $791,638. It is believed the bonds will be offered at around $99 by a syndicate composed of Nesbitt, Thomson & Co., Wood Gundy & Co. and Societe de Placements Inc. Expenditures on the company's expansion program in 1947 totaled $16.7 millions.

PRICES

Grain and commodity market operators in the U. S. were keeping a close eye on the international situation — and especially on Washington for signs of positive reaction by the Administration.

Some of their thinking was reflected in the sharp upturn in most commodity prices, which had been on another little slide until President Truman's address last Thursday.

What New York was expecting following Mr. Truman's speech, according to most commentators, was a 50% partial mobilization of industry by May 1.

This, it was apparent, would seriously affect the supply-demand balance in many raw materials, would almost certainly mean a return to emergency controls, price ceilings, end-use restrictions.

Two things the markets were particularly on the watch for were:

1. **Gray market developments** in short-supply commodities. An increase in activity would be a tipoff to early return to controls.

2. **Retail sales activity:** The public still had sharp memories of war shortages. An upsurge of buying would indicate the public were playing it safe, laying in extra stocks of goods. This would encourage manufacturers to keep up production even where signs of oversupply were apparent.

Immediate market reactions to the Truman speech were:

Cotton at first lost ground on the theory that trouble in Europe would close markets there, then soared because of a potentially-increased demand for the armed services.

Imported commodities gained ground on the theory that trouble

(Continued on page 3, col. 3)

Triple Output May Be Coming At Steep Rock

A $150,000 excavation project authorized by Steep Rock Iron Mines—and for which a contract has just been let—is expected to do two important things:

—Save the company hundreds of thousands of dollars in hydro power charges through reduction in pumping of water.

—Facilitate stepping up output from one to three million tons of iron ore annually when finances for this can be arranged.

At present, Steep Rock is continuously pumping water from the "sump" in which it collects east or deepest part of the drained area of Steep Rock lake (known as Falls Bay) and about two miles northeast of where "B" ore body is being mined. Contractor Patrick Harrison has now received a contract to sink a 260-ft. shaft and drive a tunnel in rock for a distance of 3,500 ft. for the purpose of lowering the level of Falls Bay by approximately 50 ft. thus eliminating part of the pumping required to keep Steep Rock Lake drained. Water coming through this tunnel is expected to be used at a later date for hydraulicing some 50 million yards of mud from the huge "A" body, it is understood.

Whether or not negotiations now being carried on with a view to providing required finances for placing "A" ore body in production are successfully concluded, the $150,000 program appears likely to result in very important economies. Saving in hydro power charges, and other indirect benefits, may reach a total saving of $100,000 a year or $500,000 over a period of four or five years, it is stated.

'Might' Extend U.K.'s Credit To April 15

But Canada Firm Against Longer Concession, as Purchases Soar

OTTAWA (Staff) — Continuation of British food purchasing for 1948, and little or no easing of Canada's "no credit" ultimatum, are expected here out of current discussions about Canada-U. K. financial arrangements.

The basic Canadian position remains unchanged. It is that Canada can no longer afford to extend dollar credit to the United Kingdom beyond the March 31 deadline. Any alteration from that view promises to be brief and of small dimension. One suggestion is to extend the Canadian credit until April 15. This would cost Canada only $7.5 millions; would provide a small face-lifting for the British.

Fundamentally, the Canadian position is that we can no longer extend credit and that any compromise with that fact merely makes for inconsistency while at the same time affecting the over-all British plight scarcely at all. In short, that the drain on United Kingdom is now so great and so serious that the type of aid which Canada can now offer is of little or no consequence.

U. K. Buying More

Against that view, the British voice concern not only about their general plight, but about the steady increase in the flow of Canadian livestock products under the new 1948 contracts.

Under the December agreement, Canada extended a fixed credit of $15 millions a month. The British were to put up the remainder of any gap between the proceeds of their exports to Canada and the cost of their Canadian purchases. They estimated that "gap" in the first three months would be about $100 millions. It now appears that this was an underestimate.

For one thing, there has been a considerable recovery in shipments of Canadian bacon and livestock products since prices were revised upwards last year. Actual shipments to United Kingdom for January and February are not available but trade returns show that U. K. over-all purchases, instead of decreasing, are rising. They amount to $116.6 millions, compared with $95.3 millions in the same 1947 period. Also, exports of bacon and hams are up from $8.2 millions in January and February, 1947, to $13.9 millions this year. Egg shipments are up to $8.3 millions from $5.2 millions.

May Scale Down Bell Application Add 'Safeguards'

OTTAWA (Staff) — Despite opposition from individual progressive Conservative members, there has been and will be no concerted attack or filibuster by the P.C.'s on the bill now before Parliament to increase capitalization of Bell Telephone Co.

It is expected that the bill will be attacked on two grounds when it gets into committee: (1) That some undertaking should be included as regards rate increases. (2) that there be some scaling down of the present proposal for capital increase.

The company's present capital authorization is for $150 millions. The new measure would boost this to $350 millions. Some contend that such an increase might put the company in a position where it would not have to return to Parliament for many years for any further authorization or for any review of its operations.

Storm Signs Ahead In Inventories?

Rubber, Radio and Canned Goods Fields Already Showing Effects of Pile-up — Here's the Picture by Major Industries

For an exclusive Financial Post summary of the changes in inventory position of 58 Canadian companies, see page 24.

BY CLAUDE TAYLOR

How is the ratio of sales to inventory in your business?

Excessive inventories have already caused a temporary lay-off and shortened work week in at least one of Canada's essential rubber plants; brought on liquidation of canned goods below cost; and pared output in the radio field. Is this a sign of stormy days ahead? Will current inventories prove to be the "graveyard" of business and prime factor in future failures?

Steadily expanding inventories since cessation of hostilities in 1945 have been viewed with mild concern by some business analysts — mild suggestions from some banking institutions against undue merchandise accumulation — particularly frowning on inventory speculation. A word of caution has been dropped against distant or long-term commitments.

The Financial Post approached top flight business executives this week and found:

Radio manufacturers — With retailers "glutted," manufacturers have cut back production and are holding models in warehouses until public re-enters the market. Federal Government's 25% excise tax has proved a stiff barrier to public purchasing power.

Stationery and office equipment—Growing tendency to pare inventories, particularly in lines where merchandise is now readily available. Move is a cautionary one due to uncertainty in regard to possible decline in prices and recent offer of American mills to provide certain lines of specialty papers at 10 % to 20% below domestic prices. Scarcity of dollars for export business is reported releasing increased supplies to the Canadian market.

Drug merchandisers — Higher inventories are being carried to support steadily expanding retail sales, with only a portion of increased stocks represented by rising costs. A close check is being maintained on inventory position in view of general uncertainty as to future business; protective measures and reserves being adopted against possible cutback in sales or prices.

Primary textiles — Austerity program has operated as a check on inventories getting out of line as only some 25% of previous requirements are imported today. Demand is reported greater than supply and inventories are far below normal.

Rubber manufacturers — Backlog of orders long since filled and special measures are now being adopted by some manufacturers to reduce abnormally heavy inventories. Early spring is usually period of peak stocks, reflecting output during winter months when sales normally ease. Slowing down to five-day week and short lay-off periods are expected to clear off excessive stocks by early summer. Dollar shortages of big buyers in the export field have been a blow to some manufacturers and sales resistance in domestic market now requires sales effort on part of dealers. Industry across the border, where prices were raised last fall, has already cut production 30% and plans to turn out second grade tires.

Paint manufacturers — Opinion on inventories is divided. Some manufacturers are still fairly hard pressed to meet steadily expanding sales and others are experiencing a flattening out of sales and are cutting stocks. Year-end inventories were generally heavy and partly reflected increased dollar value. Retailers' shelves and cellars appear to be well stocked and some moderation in buying has set in to lower holdings.

Specialty foods — Dollar values are reported the main reason for higher inventories, but percentage of sales to inventories are said well in line with prewar standards.

Canned goods — Inventories are considered excessive in certain standard lines and in some instances wholesalers and retailers have been forced to unload stocks at below costs. Signs of distress selling have been noted in the West where drastic cuts have been taken on vegetable canned goods and in brand name soups. Supply of canned salmon is one of the few lines still in short supply. Demand for choice and fancy lines continues good.

Milling trade — Millers are operating on a hand-to-mouth existence as grain requirements are allocated by the Wheat Board. Inventories are reported quite

(Continued on page 3, col. 4)

Inside News

British Columbia Booming

British Columbia is really on the march. Today it has the highest per capita capital investment program of any province of Canada. In the last two years, nearly 3,000 new firms have been incorporated —almost 1,000 of these new, or transplanted Eastern concerns. The Financial Post presents its annual review of British Columbia industry, finances and resources (page 29-44).

Tax-dodging Doesn't Pay

The way of the income tax evader is hard in Canada today. Many concealed substantial earnings during war years; but now a skilled staff of "I-men," financial bloodhounds, is catching up with them. The story of how federal investigators trail tax-dodgers and bring them to justice, is a true-life detective story (p 15).

Finding New Markets

You can't sell abroad, sitting at home. Convinced of that fact, a Canadian who had built up his own business, went abroad to learn for himself, the best methods of cracking overseas markets. On the eve of another trip, to another continent, he tells The Financial Post of his findings (p 13).

Customs Union Wanted?

Should Canada enter a customs union with the United States? Many Canadians answering a Financial Post questionnaire, see more advantages than drawbacks, in the proposal raised last week by LIFE magazine. Their replies raise may interesting pros and cons on the subject (p 7).

If Nfl'd Joins Canada —

Who stands to gain by confederation—Canada, or Newfoundland? How would the Island's cost of living, and standards of living, be affected? What would happen to her export markets? An Island industrialist discusses the subject (p. 16).

Advertising Business 19
Banking News 21
Construction Trends 8
Insurance News 20
Labor Roundup 9
Mine Development 26
Provincial Roundup 40
What's New in Business 14
You Asked Us 43

Feb. Exports $208 Millions

OTTAWA (Staff) — Higher dollar sales of metals, woodpulp, fish, newsprint and farm implements featured Canadian exports in February. Exports rose 10% over the same 1947 month to $208 millions, of which $94.8 millions or 45% went to United States, a smaller figure than the exceptionally high figure for January but almost 40% greater than in February, 1947.

One important gain was in aluminum. February exports to all countries were $8.8 millions, against $7.5 millions in January and $2 millions in February, 1947. Sale of copper was close to $7 millions ($3 millions and $6.5 millions). Exports of nonferrous metals rose to $28.3 millions.

Farm implement exports were $5.4 millions, against $2.7 millions a year ago. Wood pulp exported totaled $14.8 millions (11.2 in February last year, $15.3 millions in January). Dollar sales of newsprint were $25 millions.

Canadians Chasing Peanuts

But Worth $5 Millions: Machines, Men for Africa TVA

Canadian farm machines and agricultural engineers are playing a major role in Britain's $96 millions plan to convert three million acres of African scrubland into one of the world's big food producing areas.

Tractors, planters, cultivators and self-propelled combines worth $5 millions — many specially designed for the project — are being supplied by Massey-Harris Co. Ltd. under a contract for all the farm machinery needed for the three years 1947-49.

At the same time, field experts and engineers from Massey-Harris are being sent to aid supervision of the undertaking, labor for which has been recruited from 75 African tribes who later will farm the area, a presently uninhabited plateau in the centre of Tanganyika.

The British plan calls for planting the three million acres with peanuts, source of edible oils. By 1950 it is estimated that the area, the biggest of its kind in the world, will be producing an annual crop of 600,000 tons of nuts at a production cost ($57 a ton) less than half the current world price of $128 a ton.

This 600,000-ton crop would produce 240,000 tons of oils or — enough to produce 280,000 tons of the margarine so essential to the British — and 360,000 tons of cattle feed.

This production, the British estimate, will cut their annual food bill by at least $40 millions — without taking into consideration the effect of such additional supplies of world-scarce fats will have in depressing world prices.

At present 10,000 acres of the project are under cultivation following intensive clearing of hitherto impenetrable forests of 5-ft. pampa grass and mimosa bushes, which began last July. This puts the work ahead of schedule. Trial plots have given a yield of 900 lb. to the acre, 150 lb. more than the expected yield.

First small harvest was collected last month — but most of this was kept as seed for future sowings.

Canadian field experts meanwhile are busy setting up schools for training African mechanics in handling farm machines. As they become proficient they will be assigned to 30,000-acre units of land, each of which will permanently employ 300 natives.

Base of operations in this Operation Peanut is a mud-hut village, Kongwa, far in the interior, near which a serviceable airstrip has been hammered out. At the same time native laborers, driving spikes and laying ties by hand are linking Kongwa with the East African port of Dar-es-Salaam by a single-track railway. In Southern Tanganyika at Mikindani a new sea port is to be built, capable of handling the largest ships.

On completion of the scheme, which is being called Africa's TVA, Britain estimates that Tanganyika will have tripled her exports; will be opened up as a new market for imports of industrial products.

Mechanized farming in reclaiming millions of acres of hitherto fly-infested, bush-covered wasteland is, in short, changing the face of Africa for the Tanganyika project is but the first of many similar developments being planned by Britain in her vast African colonial development scheme.

Pace of Business

A fair recovery staged by all major stock groups on Canadian exchanges in latest week. Notable strength in New York market reflected by 10-point rise in TSE index of industrials. Senior golds, however, turned weaker at midweek.

New capital expenditures planned by public and private interests in 1948 total $2.8 billions, highest in Canada's history, Department of Reconstruction and Supply reports. While anticipated dollar volume up 17%, physical volume only expected to be 5% higher.

Automobile sales by manufacturers dropped to $8,970,000 in February, off from $10,880,000 in January and $14,584,000 in December, 1947

Car loadings increased to 74,643 cars in week ended March 13 (74,610 cars in previous week). Pulpwood dropped from 8,375 to 7,192 cars; other commodities showed minor changes.

Exports to U. S. continued to rise in February; totaled $94.8 millions for first two months of 1948 vs. $69.4 millions for same 1947 period. Over-all exports for January-February totaled $443.7 millions up 14.3% on 1947.

Canada's fruit crop in 1947 was estimated at $45,603,000, off about 10% from 1946. Prices were generally higher, but reduced crops of apples, plums, peaches and cherries resulted in lower value of production.

Radio manufacturers' sales in February at $713,000 were off from $786,000 in January. Figures were $275,000 and $300,000 below similar months last year. February sales were $1,277,000 below December, 1947.

Coal production at 1,151,000 tons in February was down 30% and 35%, respectively, from February, 1946, and December, 1947, as result of strikes in Alberta and B. C.

EATON'S

SPRING TOP-COATS

See EATON'S wide assortment of smart top-coats . . . it's one of our finest in years! Trim, immaculate, and masculine . . . top-coats in a wide variety of cuts and styles . . . tweeds and covert cloths, gabardines, fine worsteds and velours . . . are now featured at

EATON'S

Here's Capital Plans for '48

$2.8 Billions Total Outlay

OTTAWA (Staff) — New capital investment "intentions" of Canadian business and governments for 1948, show a dollar value increase of 17% over 1947.

This is the central fact in a government survey covering 13,000 individual establishments. Total estimated outlay on new construction and on new machinery and equipment is put at $2.8 billion. This compares with $2.4 billion in 1947; $1.6 billion in 1946 and an annual average of $700 millions in the period 1935-39.

After allowance for price increase, the increase in volume of work planned is not greatly different from last year. Actual volume of new construction is expected to rise only 5% above 1947. The volume of new expansion in machinery and equipment is stated as "unchanged." Actual volume of commitments on maintenance and repairs is expected to decline.

The dollar value of estimated maintenance and repair work, according to the survey, is $1,226 millions. This is over and above the $2.8 billions slated for new construction and equipment. The comparable figure of actual money spent in 1947 for maintenance and repair is $1,181 millions.

The survey was conducted as of December, 1947, by the Department of Reconstruction and Supply. A smaller study in 1946 proved 75% accurate. The 1947 estimate is stated to have been almost 100% fulfilled in terms of dollar value. From the total stated "intentions" the following key facts emerge:

1. New construction is announced as $1.6 billions; an increase in dollar value of 21% over last year. Purchase of new equipment and machinery is put down for $1.2 billions, a dollar gain of 12%.

2. Since prices are said to be higher, on average, by about 17% over 1947, the aggregate demand for building materials and labor is expected to be about the same as last year.

3. Long-run public utility and institutional expenditure plays a more important part in the 1948 program. Thus Alex Skelton, Director-General of the Economic Research Branch, states: "There is a very substantial backlog of utility and government investment which would be proceeded with in the event of any surplus of labor and materials developing."

4. Of the total $2.8 billion capital program, about $1.8 billion is for business expansion; $600 millions for housing; $309 millions for direct government expenditure; $145 millions for institutional spending such as churches, hospitals, schools, etc.

5. The $1.8 billion of business investment (including government-owned companies) is split as follows: $554 for manufacturing of all types; $476 millions for utilities; $272 millions for commercial, merchandising and services; $464 millions for primary industry and construction. The gain in this group is $234 millions or 15% over 1947.

6. Highest percentage gain is for "institutions" such as schools, churches, hospitals, etc., where 1948 "intentions" are reported 81% above last year. Heavy long-run programs by power companies, railways and telephone companies bring that group up 28% over 1947.

Highlight figures to show the breakdown of proposed spending by key groups, follows:

MAIN ESTIMATES OF CAPITAL EXPENDITURE IN CANADA, 1948
(Millions of Dollars)

	Construction	Mach. and Equip.	Totals 1948	(1947)
1. By Business Firms†				
Manufacturing	173	381	554	513
Agriculture, fishing, trapping	50	265	315	267
Mining	39	37	77	66
Woods operat.	9	11	21	23
Construction ind.	15	19	33	41
Cent. elec. stat.	92	89	182	127
Telephones	46	60	106	81
Broadcasting	2	1	3	2
Railways & telegraps	33	78	112	76
Elec. railways	7	12	19	21
Air transport	1	9	10	11
Water transport	7	14	21	23
Motor carriers	5	15	20	26
Banks	9	2	11	8
Insurance cos.	1	1	2	1
Warehousing	1	1	2	2
Wh'sale (proper)	19	7	26	25
Independ. stores	47	17	64	46
Depart. stores	4	3	7	10
Laundries, dry cleaners	1	1	2	4
Theatres	8	1	9	8
Hotels	13	5	18	16
Recreational, etc.	31	68	99	90
2. By Institutions				
Churches	16	2	18	11
Universities	14	3	17	14
Schools	48	5	53	31
Hospitals	49	8	57	25
3. By Government (Direct spending)				
Dominion	118	62	180	150
Provincial	193	80	273	220
Municipal	151	31	182	142

†Includes Government-owned corporations.

Official comment on the figures points out that the survey was undertaken after Nov. 17, and should reflect withdrawal of investment plans due to capital import controls.

According to government sources, the dollar-saving plan may change the composition though probably not the dollar value of the 1948 program. The further or continued rise in building prices and costs in 1948 may mean that the dollar value is reached or exceeded, though the volume of work done may be less than indicated.

Further figures to show the breakdown follow:

1948 CAPITAL SPENDING ESTIMATES
(Millions of Dollars)

	Construction	Mach. and Equip.	Totals 1948	(1947)
1. Total Estimates				
(a) Private Enterprise:				
Business	439	846	1,285	1,157
Utilities	105	165	270	234
Institut., housing	618	11	629	511
(b) Govt.:	462	173	635	512
Total (Cap. exp.)	1,624	1,195	2,819	2,404
(c) Repair & Maint. (Govt. & pr. ent.	580	646	1,226	1,181
Total	2,204	1,841	4,045	3,585
2. By Regions: (Capital expenditure only for manufacturing, mining, woods operations and certain utils.)				
Maritimes	16	29	44	42
Quebec	105	170	275	251
Ontario	184	316	500	395
Prairies	28	34	62	58
Br. Columbia	36	46	82	90
Total	368	595	963	836
3. By Leading Cities: (Cap. expenditure on manufacturing only)				
Halifax	0.3	1.0	1.3	1.8
Saint John	0.1	0.7	0.8	1.2
Quebec	2.2	2.6	4.8	5.0
Montreal	39.6	42.5	82.1	83.5
Ottawa	2.6	6.2	8.8	7.2
Toronto	30.5	45.3	75.8	58.2
Hamilton	6.4	25.1	31.5	28.4
Windsor	5.4	6.6	12.0	7.1
Winnipeg	1.9	4.0	5.9	6.0
Vancouver	5.0	8.7	13.7	15.5
Total (10 cities)	94.0	142.7	236.7	213.9

CITY OF WINNIPEG has accepted a bid of Peter D. Curry & Co., Winnipeg, for a $1 million 3% bond issue, payable in 10 years. The bid was $100.946. The interest cost to the city over the term of the issue is 2.82% Except for $50,000 for street lighting and $75,000 for a new garage, all the issue is for local improvements. Eight bids were received, representing 32 banks and investment houses.

Supply Picture For Building

In 10 of 30 relatively scarce building materials, production increases ranging from 10 to 50% may be achieved in 1948 over 1947.

Output of basic materials probably will gain on average no more than 5%. Only one in nine — coal — is seen increasing substantially.

These are findings of the 1948 Outlook for Basic and Building Materials Production in Canada. This, and a companion study — plans of business and government for 1948 investment in new construction and equipment — "show that demand for, and supply of basic and building materials should be at higher levels, and that full realization of investment plans, in money terms, should be possible," the report says.

Highlight excerpts:

Basic materials — Excepting coal, production intentions don't anticipate a 1948 production level more than 5% over 1947. Strong possibility pig iron, steel ingots, steel castings won't gain and that lumber output may be down.

Limitations placed on import of a wide range of iron and steel products will tend to hike demand for Canada-made primary iron and steel. The European Recovery Program under consideration in U. S. Congress may place additional demand on the available domestic supply. It seems unlikely that procurement will be easier than in 1947; might well be more difficult.

Barring prolonged labor-management disputes in U. S. coal-fields, or worsened shortage of U. S. rail equipment to move coal to Great Lakes ports, or increased shipments of U. S. coal to Europe, coal and coke import levels should be high enough to assure "adequate" 1948 supply in Canada, though good quality coking coal will continue short with continued low average grade of coke. If anticipated 1948 gains in domestic output of coal and coke are realized, it is probable a smaller volume of imports will be needed.

Lumber's production level isn't likely to top 1947 and may be lower. Reduced British commitments to take the Canadian product has the immediate effect of reducing demand and it's held unlikely that other external markets will absorb a substantially larger amount than last year. The U. S. market undoubtedly will take a larger share of Canadian output but the increase will be confined to prime quality planks and boards. The domestic market probably will demand more lumber in 1948 but here again emphasis will be on good grades.

Asbestos, gypsum, pig iron and copper are also covered in the report.

Building materials — Indications are for increase in supply on a scale that will support a national construction program moderately larger than that realized in 1947. Substantial gain in output of many materials still in acute supply should result in better over-all balance between demand and supply. But shortages may persist in most items scarce as the year opened, with steel, iron and steel products chief limiting factors.

Decrease is expected in output of two items, namely cast iron waterpipe and fittings, between 19% and 9.6%, and cast iron radiators, between 22 and 11%. But in all 28 other items studied, fairly substantial increases are expected.

Of 12 building materials with projected increases in output of 10% or more in 1948, eight also showed substantial gains in 1947 — bathtubs, sinks, gypsum plaster, gypsum lath, rock wool batts, rigid insulating board, nonmetallic sheathed cable, vitrified sewer pipe. Even so, gypsum lath, gypsum plaster and vitrified sewer pipe will continue in tight supply.

The same condition probably will prevail for two of the remaining four materials the production of which is expected to top 1947 by over 10%, namely steel pipes and fittings and gypsum wallboard.

Among building materials with expected increases under 10% or decreases, 1948's tightest probably will be cast iron soil pipe and fittings, cast iron water pipe and fittings, cement and cement products, vitrified flue linings, furnaces, nails and spikes.

Production outlook in 1948 for building materials with a high iron content is difficult to assess. For the purpose of maintaining primary steel production there has been substantial cut in volume of good quality pig iron going to grey iron foundries early this year. Unless the foundries are able to get more scrap iron than last year, total production of cast iron products will suffer. Most affected are cast iron water pipe and fittings and cast iron radiators, production of which may be down as much as 20%, cast iron soil pipe and fittings, bathtubs, sinks, washbasins, furnaces.

Since import volume isn't large, import restrictions won't directly cut the available domestic supply of most items appreciably. Important building material imports are structural steel, sanitary ware, heating equipment, hardwood flooring, cement, nails, window glass. Imports of the last three haven't been restricted. Restrictions placed on bathtubs, sinks, washbasins and heating equipment shouldn't prove too serious if production intentions are realized. Imports of structural steel will be permitted under license for construction projects considered in the national interest. Canada-made hardwood flooring, although not in good supply is available as substitute for imported flooring.

Simpson's Sells Then Rents Back

Prudential of America has been a leader in the new trend to direct investment by life insurance companies in mercantile and industrial real estate.

This week, Prudential started to do the same thing in Canada; announced a deal with the big Robert Simpson Co. department store chain whereby Prudential buys Simpson's 106,000 sq. ft., six-story steel and brick Toronto furniture warehouse at 154-56 Front St. W., and adjoining one story building, and simultaneously leases the properties back to the merchandising firm under long-term lease.

Prudential's Ontario real estate branch manager at Toronto, Harold G. Peppiatt, said he believed it was the first time an insurance company has made an investment of this type in Ontario; that the move is part of Prudential's long-range industrial, mercantile and housing investment program in Canada.

Alberta Oxygen Is Reorganized

Alberta Oxygen & Acetylene Co. announces a recent reorganization which brings on its board of directors H. R. Milner, F. G. Winspear, C. A., and R. W. Hamilton, C.A., who has been appointed chairman of the board. Continuing on the board are Norman S. Robertson, K.C., of Toronto, Ronald Martland, K.C., secretary and Frank W. Smuck, president and manager.

Alberta Oxygen was organized about a year ago to manufacture in Edmonton oxygen and acetylene gas for distribution in the Canadian northwest.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

A. E. Austin & Co. (Vancouver) —M. A. Stuart, a member.

Alberta Liberal Association — Owen R. Browne, director of public relations.

British American Oil Co. — Ole Berg, Jr., vice-president and assistant to president.

Canada Life Assurance Co.—A. C. Barbour, mortgage supervisor, Manitoba (Winnipeg); J. W. Winn, mortgage supervisor, Alberta (Edmonton); B. E. Shaver, mortgage supervisor, British Columbia (Vancouver); John H. Romig, manager, policy owner relations.

Canadian Freight Association — G. Fred Smith (Toronto) chairman.

Canadian John Wood Mfg. Co.—C. F. T. Hopper, vice-president and general manager.

Canadian Locomotive Co. (Kingston)—Walter Langston (Montreal) a director.

Canadian Pacific Railway Co.—D. W. Johnston, general freight agent, rates and divisions; G. H. Kerr, assistant foreign freight agent; G. A. Smyth, pensions superintendent and staff registrar.

Combined Enterprises, Ltd. (Montreal)—Harold M. Long, chairman of board.

Confederation Life Association—H. T. Griffiths, assistant superintendent of agencies (Toronto).

Dunlop Tire & Rubber Goods Co. —George F. Plummer, secretary-treasurer.

Imperial Bank of Canada — A. Craigie, assistant manager, Vancouver main branch.

Industrial Acceptance Corp. — Geo. C. Lynch, branch manager, Halifax.

International Chamber of Commerce—C. W. Stairs (Halifax), vice-president, Canadian section.

James Richardson & Sons—Norman J. Alexander, manager, securities division, Vancouver; Kenneth S. Blair, member bond department, Vancouver.

La Chambre de Construction (Montreal)—J. Rene Hebert, president.

La Librairie Beauchemin Ltd. (Montreal) — J. Louis Levesque, president; Philippe Valiquette, vice-president.

La Societe des Editeurs Canadiens du Livre Francais ((Montreal)—Paul Peladeau president.

Macleod's Ltd. — R. M. Macleod (Victoria) chairman of board; Ralph Schwartz (Winnipeg) president.

Manitoba Steel Foundries Ltd.—J. A. deBondy, a director.

Montreal Curb Market — P. A. Brisbois, a member.

National Freight Traffic Association — Alistair Fraser (Montreal), executive member.

Northern Electric Co.—R. V. Macaulay (Montreal), a director.

Ontario Retail Lumber Dealers Assoc.—S. S. Leggatt (Hamilton), president; H. M. Claridge (Sudbury), Ian MacLachlan (Kingston), vice-presidents.

Retail Credit Grantors' Association (Vancouver)—Paul Saxe, president; Andrew Gillespie, vice-president; Thos. Downie, secretary; A. E. Fawcett, treasurer.

T. Eaton Co. Ltd.—J. R. Jenkins, British Columbia supervisor; D. Kinnear, assistant British Columbia supervisor.

Trans-Canada Air Lines—W. Gordon Wood, general traffic manager.

Vancouver Millwork Mfrs. Association—L. S. Palmer, president; Miles Brookes, vice-president.

War Assets Corp.—L. C. Steet, Quebec regional supply supervisor; E. A. Nicholson, supervisor, plant clearance division (Ottawa); R. Martland, western region supply manager (Vancouver); S. V. Appleby, Prairie region supply supervisor (Winnipeg).

Wawanesa Mutual Insurance Co. —M. C. Holden, general manager; Eric Peake, branch manager, Vancouver.

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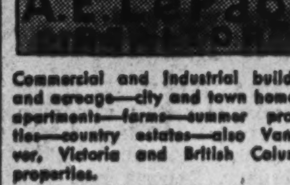

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AVAILABLE ON ACCOUNT imports restrictions Wishes represent established manufacturer serving large industries. British trained. Sound engineering background Excellent sales record. Own car. Phone W. Fairholme, Adelaide 2860, Toronto, Ont., or write Box 182, The Financial Post, Toronto 2.

POSITIONS WANTED

ACCOUNTANT AVAILABLE

ACCOUNTANT Office Manager, thoroughly experienced preparation financial statements, general accounting, budgetary control, office procedure and administration, seeks post where organizing ability can be utilized. Canadian, married, 42, good background and well recommended locally. Mayfair 8132 or Box 179, The Financial Post, Toronto 2.

GRADUATE IN ARTS from the University of Western Ontario, age 28, single, veteran, desires position preferably on sales force of reliable firm. Available after graduation June 2. Box 176, The Financial Post, Toronto.

ACCOUNTING EXECUTIVE

CHARTERED ACCOUNTANT, age 40, with record of successful administration in present position of controller for a large industry in Ontario, wishes to move to city in southern part of the province. Position desired is that of treasurer or controller; salary range $9,000. Box No. 163, The Financial Post, Toronto 2.

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RETIRED EXECUTIVE and wife require unfurnished 2 bedroom apartment or duplex. Toronto, quiet district. Garage. Rent up to $85 per month. Reliable and careful tenants. Occupancy first two weeks in May. Box 180, The Financial Post, Toronto.

New Compromise Offer By St. Lawrence Hinted

MONTREAL (Staff) — Where do we go from here? That is the question which St. Lawrence Corp. is asking itself, following refusal of the company's petition by Mr. Justice Duranleau last week.

Since there is no appeal from this decision, it is understood that this phase of the company's legal proceedings is now closed. Legal opinion here is that "certain other steps" can be taken, but just what these may be, has not been indicated. One possible course, it is said, would be for the company to draw up a new compromise arrangement and submit it to the shareholders.

Mr. Justice Duranleau's decision was the answer to St. Lawrence Corp.'s petition asking that Mr. Justice Boyer's order of Jan 27 be quashed. The Jan. 27 decision annulled an order of Dec. 23, sanctioning a compromise approved by the majority of class A preferred shareholders and common stockholders.

In refusing the petition, the court held that the company had failed to show a prima facie case. It was stated that in making the Jan. 27 order, Mr. Justice Boyer was acting as a Superior Court Judge and not as a "designated person," as the company had argued in its petition.

Besides the uncertainty with respect to the St. Lawrence Corp. reorganization plan, there is the question of the St. Lawrence Paper Mills plan. The company previously indicated that this reorganization might be held up pending settlement of the Corporation situation. If it is, corporation shareholders will be no better off from an earnings standpoint than before any of the reorganization plans were submitted, it is pointed out. If the Paper Mills plan is implemented, however, it would result in the flow of Paper Mills common stock earnings to St. Lawrence Corp. and possibility of greater payments on dividend arrears on the corporation class A preferred stock.

Studebaker's Export Plan

(Continued from page 1)

it now gets a better break on its dollar quota.

Instead of getting the allotment under the formula (55% of the amount by which 1948 exports exceed 90% of exports in the base period) Studebaker, The Post is informed, is to get 100%. However, this only applies to exports to hard currency areas.

In Ottawa this week, the effect of the Studebaker deal was believed reflected in reports that the whole export incentive plan was under revision along the lines of the special Studebaker arrangement. The new plan would divide export markets into hard and soft currency countries, with added inducements for greater business in hard currency areas.

May Produce 4,400

With the export program in the bag, Studebaker of Canada is aiming at producing around 4,400 cars this year. Production will likely get under way in former government-owned gunmaking plant in Hamilton by July. Studebaker bought it for $500,000.

This production goal of 4,400 cars will only be half of what were brought in from the Toledo plant last year. But because of the export arrangement, it's 1,000 more than they had hoped for when the austerity program was announced.

Based on the quota formula ($230 in U. S. currency for every complete car imported in the base period) Studebaker had but $2 millions to buy necessary U. S. parts this year. That would let them build about 3,400 cars.

The export deal ups this by another 1,000. And according to reports at Ottawa, some adjustment will be made in the quota arrangement to let Studebaker step up production considerably in 1949.

It is understood the Government recognizes that no manufacturer could afford to operate an auto plant in Canada on a volume of 3,400 units a year. Even with an extra 1,000 cars Studebaker expects to lose $500,000 this year.

As the Studebaker venture is the kind of expansion Ottawa is after, there seems little doubt that something will be done to at least let Studebaker get out of the red after committing itself to a $3.5 million program in Canada.

In the meantime, Studebaker will be shipping in a token number of completed cars; just enough to keep their dealer organization together.

Donnacona Okays Increased Board

MONTREAL (Staff) — Donnacona Paper Co. bylaw increasing the number of directors from seven to nine was passed at a special meeting of shareholders this week, by a vote of 186,000 shares in favor and 47,000 against. It is expected that the two new directors will be appointed in about two weeks.

President R. P. Kernan was elected chairman of the board and L. W. Michael president and treasurer. In view of the statement made recently by the Shareholders' Protective Committee (The Financial Post, Mar. 20) it is anticipated that the two new directors of the company will represent Dominion Tar & Chemical Co. interests on the Donnacona Board.

Aluminium Ltd. Split Approved

MONTREAL (Staff)—A special meeting of shareholders of Aluminium Ltd. this week voted approval granted to spread the common stock on the basis of five for one and to cancel authorized preferred shares, all of which are unissued or retired. After giving effect to the split, outstanding common shares will total 3,722,050. Early this week the old common was selling at around $220, which would indicate a price of approximately $40 for the shares after split.

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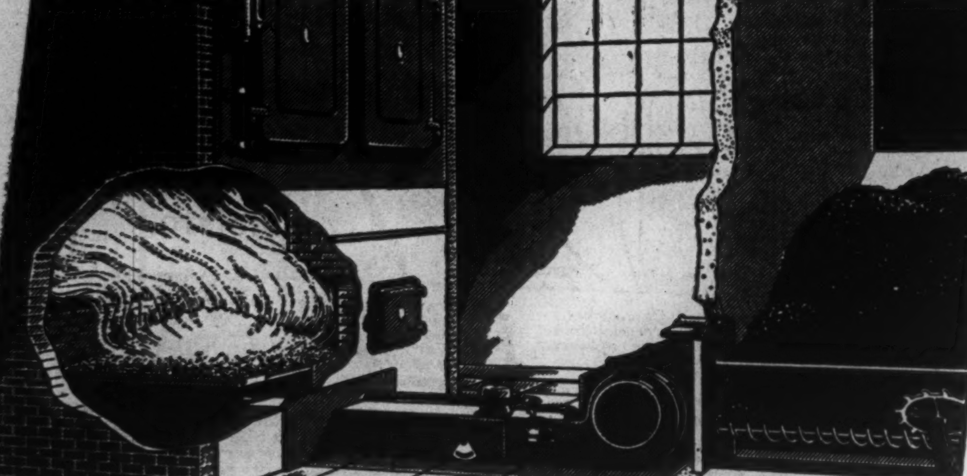

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PRICES

(Continued from page 1)

abroad would disrupt those supplies.

Nonferrous metals were bid up in face of the likelihood of Government stockpiling which would keep demand ahead of supply for the rest of the year.

In grains, buying for ERP was pushing prices up again at midweek. And there was talk on the Chicago market that large holdings of Canadian oats may be realeased for export to the U. S. which also tended to push prices up.

Here and there in prices:

Cabbages were up again as the new Savoy crop from Texas appeared on the wholesale market. From a low of $1.85 per 50 lb. (to the retailer) last week they increased this week to $2.10, which would add likely another 1c a lb. to the price the consumer was paying.

Savoys were selling at $4 per 50 lb. but could be expected to come down soon as greater supplies were available.

Turnips were up, too, 15c a bushel being added to the $1 a bushel minimum price which had prevailed all winter on the Toronto wholesale market.

Rhubarb also had increased, was now fetching $1.65 a doz. at wholesale as against $1.50 last week.

Mexican Oranges now reaching Canadian markets at $4.50 to $4.75 a case were cheaper than California varieties ($5 to $7.60) 15c to 30c up on Florida's ($4.20 to $4.60).

Hardware: Some prices were up, some down, Hardware and Metal (Maclean-Hunter) reported.

UP were roofing products — roll roofing 10%, shingles 8%, insulated siding 5%, specialty products, 10% - 15%; glues; galvanized and wrought iron piping; copper wire; stepladders. Price advances could also be expected in aluminum ware.

DOWN were window glass (by 18%); linseed oil; spirits of turpentine; oilcloth and linoleum floor coverings; kitchen tools and gadgets.

Airline rates, Canada to Britain, go up April 1: $25 is added to the one-way fare Montreal-London; $43.20 to the round-trip fare. No increases on domestic schedules.

Retail Sales Tax of 3% proposed in B. C. budget. Legislation to be introduced this session would have tax applied to all but foodstuff purchases. Estimated revenue: $12 millions.

Rentals on emergency housing units in Toronto are being raised an over-all 20%, the Council having decided it can no longer carry a yearly deficit of about $100,000.

Prices Committee questions of the week was, simply: Who got the profits out of last fall's upsurge in the price of butter? By midweek, two wholesalers among the nation's 100 "large" holders of butter had frankly replied with facts and figures: we did unexpectedly well. But this, they added, made up for ceiling years when they'd taken losses.

Canada Packers President J. Stanley McLean testified that his firm does 8% of Canada's total butter trade. From June 5 to Oct. 15, Canada Packers bought and stored 5.8 million lb. of butter at an average cost of 53.91c a lb. Between Oct. 15 and Feb. 15, 4.5 million lb. had been sold at an average price of 65.21c, bringing a total gross margin of $695,563. "Unprecedented" agreed Mr. McLean, but for three years since 1939 the firm had incurred losses in its butter trade. From 1939 to 1947 average net profit had been less than ¼c a lb.

But all this the Government already knew. The figures had been given at a meeting of storage interests and producers with Agriculture Minister James Gardiner before present ceiling prices were set. Added Mr. McLean, distributors were prepared then to take a lower ceiling than the 67c set but producers thought butterfat prices were "not too high."

Said John Freeman, president, Lovell & Christmas (Canadian) Ltd., (the other wholesalers): for the year ended March 31 the firm expected to show a net profit of 2.65c a lb. on its butter dealings as compared with a loss of .44c a lb. the year before. The firm made $113,000 in the 11 months up to Feb. 28 which was almost double the total for the four wartime years in which the company had made profits.

Added Mr. Freeman: "Price increases since last July were amply justified. The butter industry at every level — farmer, manufacturer, wholesaler, jobber, retailer — all benefited."

But, Health Minister and Committee Chairman Paul Martin persisted: couldn't the two firms have pulled their own prices down in view of admitted high profits?

Replied both witnesses: the state of the butter market in view of unprecedented demand was such that nothing short of unanimous agreement by all butter dealers in the country could have been effective in pulling prices down.

Added Mr. McLean: If that had happened we might have gone down to 50c-55c; if we'd have done it alone we'd have had everyone on our necks for butter and would have been cleaned out in three weeks.

The Committee also heard how one association of producers had, last June, July and August, held about 250 tons of butter off the market "in the hope of working prices up." The evidence came from John S. Turnbull, general manager, Saskatchewan Cooperative Creamery Association Ltd., which produces about 6% cf the country's butter output.

Inventory Storm Signs?

(Continued from page 1)

nominal and only new development in the field is a marked slow down in payments from baking trade.

Light equipment manufacturers — Operators are conscious of possible inventory strangulation and are generally reducing stocks. No apparent change in demand.

Chain store retailers — One fact is evident — dollar inventories are heavy — but little slackening in demand. Physical inventories are reported to be in line with sales, but in special lines where stocks are unusually heavy goods are being reduced as rapidly as possible.

Iron and steel — Demand continuing quite heavy with record sales being recorded in some industries. Inventories are being maintained to support this volume.

Soft drink manufacturers — Inventories tended to increase following removal of sugar rationing last November. Some concern being shown over drop in consumption which has been aggravated by continuance of two-cent wartime tax.

Shoe manufacturers — Authorities suggest that inventories are returning to normal or prewar levels and that present big stocks will be liquidated by Easter. Manufacturers appear to be moderating output: report little signs of consumer resistance.

Shoe retailers — Over-all picture hints at heavy inventories and reduced business, particularly in children's shoes where certain resistance is normally encountered. General feeling that post-Easter sales are a certainty. Some distress selling has been reported in Montreal where one retailer offered ladies' shoes as low as $1.50 to $2 a pair; normal presale price $9 and $10.

Look For It Here

Mar. 27, 1948

REGULAR FEATURES			
Adelphi	44	Market C'ment.	23
Advertising	19	Mining	25, 26, 27
Banking	21	Nfld. Letter	10
Construction	8	Others Say	6
Editorials	6	Post Scripts	6
Grain	18	Prov. Roundup	40
Insurance	20	Quotations	22
Investments	4, 5	The Question	7
Labor Roundup	9	What's New	14
Managed Invest.	5	You Asked Us	43
INVESTMENTS			
Alberta Oxygen	2	Dom. Magnes'm	18
B. C. Telephone	11	T. Eaton Co.	5
Borden Co.	36	Fanny Farmer	33
Bates & Innes	38	W. J. Gage	5
Brand & Millen	41	Gordon & Belyea	10
Brown Co.	11	Gen. Stl. Wares	18
Can. Westinghse	33	Ham. Bridge	43
Celtic Knit. Co.	11	La Soc. de Prets	25
Cassidy's Ltd.	43	Laval Transport	5
Canada Starch	43	McCarthy Mill.	38
Crown Cork	44	Mason & Rich	7
Candn. Oil Co.	44	Mt. Royal Rice	12
Candn. Bronze	20	Quinte Milk	44
Can. Gen. Elec.	20	Rolland Paper	41
Can. Wire & C.	4	Simpsons	2
Can. Motor L.	20	Sun Pub. Co.	10
Collingw'd Ter.	35	Stanley Brock	18
Consumers' Gas	4	Scythes & Co.	32
Dist.-Seagrams	18	Verney Corp.	44
Detroit Bridge	33	Vickers-Vulcan.	14
Donahue Bros.	42	W. Coast Ship.	31
Debent. & Sec.	42	York Knitting	4
MINES AND OILS			
Atlas Y'knife	40	La Luz Mines	25
Akaitcho Y'nife	40	Louvicourt G.	27
Apex Cons.	42	Labrador Min.	35
Ansley Gold	44	Macdonald M.	32
Bobjo Mines	33	McColl-Front.	43
Bear Explor.	27	Maple Leaf Oil	27
Crangold M.	42	New Norzone	40
Caramore	27	New Marlon	40
Callinan F. F.	25	New Telluride	27
Dickenson R. L.	25	Osalake Mines	25
Diversfied M.	41	Porcupine Reef.	25
Detta R. L.	20, 27	Privateer M.	32
Dickenson R. L.	27	Pacalta Oils	27, 40
Eureka Corp.	26	Pamour Porc.	20
Guayana Mines	37	Rupununi Gold.	25
Giant Y'knife	27	Senator Rouyn	44
Hollinger Cons.	25	Silver Miller.	27
Imperial Oil	4, 25	Silanco Mng.	27
Inter. Pete.	4	Trident Porc.	43
Inter. Uranium.	41	Waite Amulet	18
Island Mtn. M.	36	Y'knife Gold	27

'Chinook' Makes Air History Dominion's First Jet Engine

Canada's first gas turbine jet engine whirred into action this week before high government and industry officials at the Malton plant of A. V. Roe (Canada) Ltd.

The official running of the "Chinook" engine brings to an end the first development stage in a new Canadian industry — the design, and manufacture of gas turbine jet engines. Built for the Royal Canadian Air Force, the first engine is specifically a development one from which company engineers will obtain all data for design and manufacture of larger engines to be used in Canadian aircraft.

Much of the organizational credit for the jet project at Malton goes to W. N. Deisher, general manager and vice-president of Avro Canada. The three men intimately connected with the engineering stage of the project are Paul Dilworth, manager of gas Turbine Engineering division, Winnett Boyd, chief designer, gas turbine division and Laurie Marchant, manager of manufacturing division of gas turbine project.

At least two applications being planned for the gas turbine jet engine at Malton are: a new, high-speed, long-range jet fighter for the RCAF and a new twin-engine 30-passenger jet transport.

Paper Shortage Seen Easing?

(Continued from page 1)

ders; in other grades, deliveries are faster.

Kraft Papers—supply is only partially meeting demand. Where a customer may ask for No. 1 Kraft he may have to be satisfied with No. 2. Inventories are said to be gradually building up, however. Generally speaking, demand for No. 1 kraft is about the same as last year, and any betterment in the supply situation is said due to increased production. Supply-demand position in No. 2 kraft is said to be easing off.

See Stiffer Competition

A similar supply-demand condition is reported from United States. In early 1948, orders received were above production in all groups, except newsprint. More recently, however, some U. S. mills with kraft pulp for sale could not find buyers and withdrew it from the market for their own consumption. While this is not a general situation, it indicates a distinct improvement in the supply of the raw material for kraft papers.

In Canada, paper men are inclined to hedge on the question of supply-demand for the balance of the year. Some think that demand will hold up but that increased production will go a long way toward helping the supply situation. Others think that production will increase and demand will slacken, thus creating a fairly normal market condition, with a real selling job required for certain grades.

If exports of fine and kraft papers show a substantial increase, however, it will likely result in a continued tight supply condition in the domestic market.

Generally, paper men subscribe to the opinion held by David L. Luke, Jr., president of West Virginia Pulp & Paper Co.: "As the gap between supply and demand is rapidly narrowing, the pulp and paper industry can expect that a period of aggressive competition is not far off."

Duquesne Ore $12.88 Grade

A 3¼ years' supply of $12.88 grade ore for 100-ton mill is estimated for Duquesne Mining Co. by consulting engineer Alan C. Lee in a special report on operations to date.

Construction of such a milling unit is recommended as soon as hydro-electric power is available. Mr. Lee recommends that the milling plant be so designed as to permit ready expansion to 200 or 250 tons per day. It is also recommended that it be laid out in units, so that 500 tons might be ultimately handled daily if enough ore should be found to warrant this.

"The Kayak" *Harold Beament, R.C.A.*

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Who has been appointed a director of Fidelity Insurance Company of Canada. Mr. Savard is a prominent barrister of Quebec City and a director of Lake Megantic Pulp Company and Lake Edward Sanitorium. *

INVESTMENTS THIS WEEK

Many Questions Still Asked On Imperial-Pete Proposal

A major topic of discussion in financial circles is Imperial Oil's unheralded announcement that it proposes to sell its holdings of International Petroleum Co. common at $9.20 U. S. a share. (For details see story page 11)..

Imperial Oil common firmed slightly following the announcement but at $14¾-$15 was not far from previous levels. International Petroleum dropped sharply to $11 a share on heavy volume just after the opening of trading—its lowest price since 1942—but has since recovered to its early March level of about $13 a share as investors appraised the situation.

Many questions, however, remain to be answered before investors are fully satisfied. Most, if not all, should be answered when more details are announced. Both the Imperial sale of International and Standard's offer to the other Pete holders will be subject to registration with the U. S. Securities & Exchange Commission, so that investors may expect a bulky prospectus of information. Questions asked by investors include:

(1) Why is Imperial selling this asset—International Petroleum's shares—instead of raising money by other financing? On the basis of the 50-cent current annual dividend rate, Pete's shares yield Imperial 5.43% at a price of $9.20. Last fall Imperial sold $25 million serial debentures with a 2¼% coupon. Although interest rates are higher now, might not bonds have been a cheaper way of financing?

(2) What will be the effect on Imperial's earnings? In 1946 Imperial received $4,364,095 gross or $2,793,021 net after taxes from Pete. This was equal to 10.36c on each of its own shares. Will there be any loss of revenue e.g. in the shipping division?

(3) How was the price decided? The proposed offering price is below the equity value of the common on Pete's books—$10.04 a share at Dec. 31, 1946—after a reserve equal to 68% of fixed assets. It is nearly 30% below the current market price.

(4) What will be the effect on Imperial's crude supply? What will be the term of the new crude oil supply contract?

(5) What is the potential of the Leduc field and of Western Canada? Latest estimates place the Leduc potential around 100 million barrels. International Petroleum's gross production was 38,530,971 barrels in 1946 or a daily average of 105,564 barrels.

(6) Will a holder of International Petroleum have as good an opportunity for appreciation in Standard as in his original investment? International is currently selling at about one-third its 1937 high of $39⅝; Standard at $75 a share is close to its 1937 high of $76 a share. In the last two or three years Pete's holders have received a lot of bad news, might its current prices be too low as a result?

Imperial has no doubt had to weigh many factors in arriving at its decision as to what action was best. Rumours in financial circles suggest at least two reasons for the decision:

(1) The probability that International Petroleum itself may be faced with raising new capital for further development.

(2) The fact that Standard, as a U. S. firm, might be better able to deal with problems which may be ahead in troublous South American political waters. (A Pan-American meeting opens at Bogota, Colombia on March 30 at which a chief U. S. aim will be to obtain Latin-American promises to treat foreign business and capital fairly and squarely, it is reported."

Many Canadian investors are likely to regard Standard's exchange offer for Pete as an opportunity to buy a leading U. S. common stock. Under present FECB regulations, purchase of U. S. securities is restricted.

Standard Oil Co. (New Jersey), one of the outstanding oil empires of the world, vies with Royal Dutch Shell interests for world oil supremacy. Its crude operations are conducted in virtually every important field in the U. S., except California, and in Venezuela, Colombia and Peru. Its total net assets at the end of 1946, before a reserve of $105 millions for possible losses on foreign investments, were 63% in the United States, 23% in other Western Hemisphere countries, 11% in Great Britain, Continental Europe and North Africa and 2% in other countries. Earnings in 1946 were equivalent to $6.50 a share and have been unofficially estimated at $10.50 a share for 1947.

Imperial's shareholders will have three choices:

1. To sell their rights to acquire Pete, assuming these rights will be negotiable.
2. To exercise the rights and buy Pete at $9.20 U. S. and hold the Pete.
3. To buy Pete as above but exchange Pete for Standard.

At its current market price of around $13 International Petroleum's common would seem to be selling somewhat out of line with the proposed exchange offer. Twenty of its shares would be worth $260 as against $225 for three Standard shares currently selling about $75 a share. There seems likely to be substantial trading opportunities in this situation and in the rights, before the deal is completed, according to investment dealers.

• • •

Expect New Bond Issue For York Knitting Mills

A new $1 million 4% bond issue of York Knitting Mills, Ltd. is expected to be offered soon by Wood, Gundy & Co. The issue is expected to consist of $500,000 serial bonds due June 15, 1952-61 ($50,000 a year) and $500,000 sinking fund bonds due June 15, 1971. Offering price for the long-term bonds is expected to be $99 to yield about 4.06%. Proceeds would be for capital expenditures, it is understood.

• • •

Shawinigan Water & Power Co. can lay claim to a good annual report this year. Generously supplied with charts and pictures, gives shareholders a comprehensive report of the year's work and some indication of future prospects. For the first time, the operating statement and balance sheet of Shawinigan Chemicals are shown separately. This year, also, shareholders received a 50th anniversary book. This 30-page attractive report covering the company's history is a particularly effective piece of work. With a minimum of words and a maximum of pictures (in black and white and color) maps and charts the book is likely to get its story across to the reader with little effort on his part. It is a good example of pictorial presentation of facts.

• • •

Annual Reports

The Canadian businessman is lax in telling his story, C. B. Hill, president fo the Canadian Chamber of Commerce, told the annual dinner of the Toronto Bond Traders Association recently.

To combat charges of excessive profits, Mr. Hill stated that Canadian companies should show what is happening to the sales dollar and publicize it, not only to shareholders, but also to employees and the general public. This is one of the best ways of countering the feeling that management and owners are getting anything up to 75 cents out of the sales dollar, he felt.

Company executives should give consideration to this point of view planning their annual reports.

• • •

Expect Debenture Offering For Consumers' Gas Co.

A new issue of $5 million 3⅜% debentures of Consumers' Gas Co. of Toronto, dated April 1, 1948 and due April 1, 1968, is expected to be offered by Dominion Securities Corp. and A. E. Ames & Co. Offering price is expected to be par.

Proceeds will be used for the repayment of bank indebtedness incurred for fixed assets already acquired or constructed, with the balance for use in construction in connection with the company's present capital extension program or for general corporate purposes.

Capitalization of Consumers' Gas at present consists of common stock only, 250,000 shares authorized and 145,552 outstanding, par $100.

• • •

How Strikes Can Hit Profits Shown By Can. Wire & Cable

A good example of the extent to which a strike can affect a company's earnings is seen from this year's annual report of Canada Wire & Cable Co. Its total net income before taxes, depreciation, etc., was $3,502,930 for 1947 or five times the comparable figure of $704,131 for 1946 when operations were interrupted for nearly four months by a strike at its Leaside plant.

The difference is even more marked when carried down to net profit, which was $1,474,517 in 1947 as against $194,880 in the previous year. This was equivalent to $49.70 a Class A share and to $9 a Class B share. The Class A stock is quoted around $71 to $73, while the B stock is quoted $21 to $22.

NEW MANAGEMENT AT BEAUCHEMIN LIBRARY

LIBRAIRIE BEAUCHEMIN, the publishing house, has elected as president, Mr. J.-Louis Lévesque, widely known in business and finance circles.

The appointment will bring about no changes in the policies of the century-old LIBRAIRIE BEAUCHEMIN, which will continue expanding its established lines of business.

Mr. J.-L. Lévesque is the seventh president of the LIBRAIRIE BEAUCHEMIN. His predecessors were all prominent businessmen of Montreal:

Messrs. C. O. Beauchemin (1842-1887)
1st president
L. J. O. Beauchemin (1887-1922)
2nd president
Emilien Daoust (1922-1928)
3rd president
Oscar Dufresne (1928-1936)
4th president
Antonio Valiquette (1936-1941)
5th president
J. A. Emmelin, M.P. (1941-1948)
6th president

This publishing house was founded in 1842 by C. O. Beauchemin, Esq. It is now in its 106th year of operations in the business of publishing, printing, and distribution of technical books, stationery and office supplies.

The LIBRAIRIE BEAUCHEMIN is particularly recognized in educational circles. Its numerous and varied editions include religious books, school books, text books of all types, technical editions, Canadiana, etc.

The LIBRAIRIE BEAUCHEMIN has its own representatives throughout the country and maintains a head-office staff with facilities to deal efficiently with the trade.

The expansion and large increase in the activities of the LIBRAIRIE BEAUCHEMIN during the past few years brought about some changes to meet its new scope of operations. The organization on a wider basis wil be carried out under the guidance of the company's new president. Mr. Lévesque was born and brought up at St-Jean l'Evangélist, on the Gaspé Peninsula; he graduated from St. Dunstan's University, Charlottetown, in 1934. Mr. Lévesque is also president of Crédit Interprovincial Limitée, Fashion-Craft Mfrs., Limited. Max Beauvais Limitée, Joliette Telephone Corporation; Vice-President of Fred.-A. Lallemand & Cie. Ltée., Warwick Woollen Mills Co. Limited and Director of numerous other firms.

Mr. Philippe Valiquette whose family has been associated with the firm for two generations becomes the new vice-president and managing-director. His previous post was general sales manager.

The board of directors now includes Mr. Gérard Favreau, president of Fred.-A. Lallemand & Cie. Limitée; vice-president and managing-director of Fashion-Craft Mfrs., Limited, director of La Prévoyance, Crédit Interprovincial Limitée and N.-G. Valiquette Limitée and other firms: and Mr. Eugène Issalys, publishing director, who has been associated with the firm for 37 years. He is also member of the Quebec Public Instruction Council.

Trained Accountant WANTED

Well known Company with Dominion-wide interests has vacancy for competent Accountant in its Winnipeg Office.

If you are about 35-38 years of age; thoroughly trained in accounting, have a practical background of commercial activity, this vacancy offers an opportunity.

Commencing Salary $5,000.

Applicants should give full details including education, accounting training, business experience, etc.

All applications will be held in STRICT CONFIDENCE.

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Assistant Manager for manufacturing plant of moderate size located in Western Ontario. Must be experienced in general management, including production, costs, credits and sales, and must be capable of contacting larger stores and institutions in sales matters.

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30,000 shares

R. L. Crain, Limited

(Incorporated under the laws of the Dominion of Canada)

Capital Stock

(No Par Value)

R. L. Crain, Limited is engaged in the business of designing, selling and manufacturing, to specific requirements, continuous business forms and systems of control. These systems are sold to all classifications of businesses, from the small retailer to the large manufacturer as well as insurance companies, public utilities, and Dominion, Provincial, and Municipal Governments. The systems include the equipment necessary for controlling the feeding of the forms through all types of business machines.

Capitalization
(Upon completion of present financing)

	Authorized	To be Outstanding
Capital Stock (No Par Value)............	100,000 shs.	90,000 shs.

We offer, as principals, these Shares, if, as and when issued and accepted by us, subject to prior sale and change in price and subject to the approval of all legal proceedings on our behalf by Messrs. Dixon, Claxton, Senecal, Turnbull & Mitchell, Montreal and on behalf of the Company by Messrs. Gowling, MacTavish, Watt, Osborne & Henderson, Ottawa.

Price: $7.50 per share

It is expected that Definitive Share Certificates will be available for delivery on or about March 23rd, 1948.

A Prospectus, a copy of which has been filed with the Secretary of State of Canada in accordance with the provisions of The Companies Act, 1934, as amended, will be furnished upon request.

W. C. Pitfield & Company, Limited
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Offers for sale its former business premises at 1154 London Street West, Windsor, Ontario, consisting of approximately 3 8/10 acres of land, upon which there are said to be six brick and concrete block office and garage buildings having a floor space of approximately 51,064 square feet, including access to a railway siding, save and except thereout and therefrom—

1. All outside yard lighting fixtures.
2. The Company's gasoline pump house and all the equipment, piping and pumps therein contained, also the unloading racks connected therewith, also two 12,000 gallon storage tanks and the structural steel supports for same.
3. All the Company's bus washing equipment, piping, hot water storage tanks and hot water boiler and stoker connected therewith, contained in a building formerly known as the Company's "Wash Rack."
4. All electric conduit and explosion proof fixtures located in the Company's former "Oil House."
5. The door on the vault in the office basement.
6. A quantity of sand and salt on the said premises.
7. A small building known as the Company's "Salt House."

All of which excepted items are being gradually removed from the said premises.

Tenders will close at noon April 5th, 1948, and, subject to a reserved bid, will be sold to the highest bidder. Possession May 1st, 1948.

Tenders should be accompanied by a marked cheque for 10% of the amount of the tender as a deposit; purchaser to have 10 days after acceptance of tender to investigate title; if within that time the purchaser shall furnish the Company in writing with any valid objection to the title which the Company shall be unable or unwilling to remove and which the purchaser will not waive, the agreement for sale of the premises shall be null and void and the deposit money shall be returned to the purchaser without interest. Balance of purchase price shall be payable and sale completed on or before May 1st, 1948, or according to such terms proposed by tender as the Company may accept. Subject to the above, the Company shall not be obliged, however, to accept any but the highest cash tender.

Premises may be inspected by contacting the undersigned. Legal description of the lands offered for sale will be furnished by the undersigned upon request.

Tenders should be sealed and marked "London Street Property Tender" and addressed to:

Alexander MacLennan,
Secretary,
Sandwich, Windsor & Amherstburg Railway Company,
1570 Kildare Road,
WINDSOR, ONTARIO

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Stable markets and a strong economy require:

Confidence in Canada and its prospects for sound development and progress;

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Confidence in corporate enterprise to continue developing the great resources of the country.

This confidence was abundantly demonstrated during the perilous war years when the Canadian public invested over 12 billion dollars in Victory Loan bonds at a 3% yield.

In our judgment, present conditions indicate that this broad yield level will be well maintained.

Therefore, at current prices, we recommend the purchase of Dominion and Provincial government bonds, and securities of sound corporations.

A list of securities will be forwarded to you gladly upon request.

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Limited

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Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

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Community planning or industrial development is best based upon the detailed information about existing buildings and terrain obtainable from an aerial photographic mosaic or contoured map. Costs are a fraction of ground survey costs. Municipal engineers, fire prevention agencies, police departments and assessment boards can also take advantage of an air survey.

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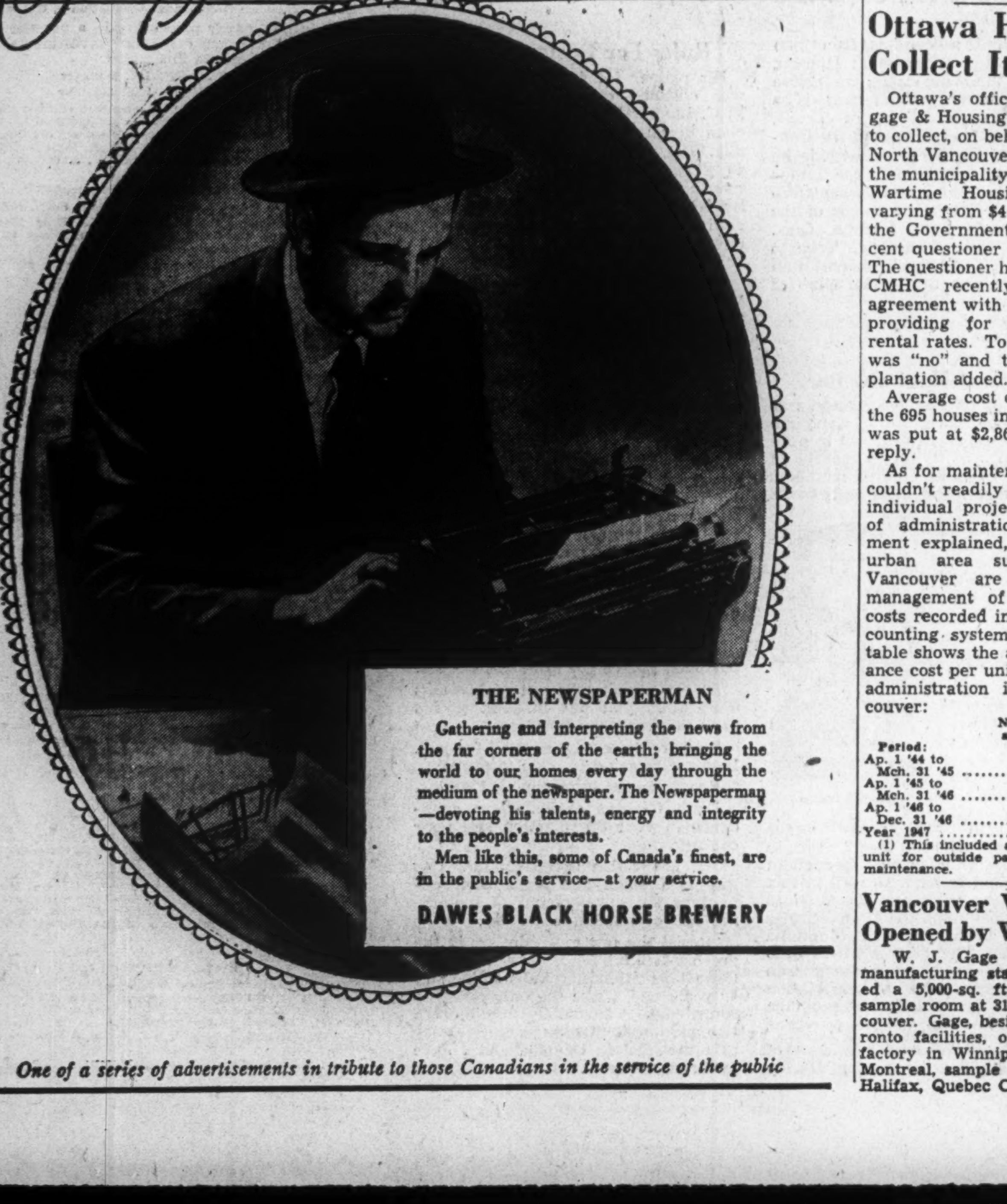

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Men like this, some of Canada's finest, are in the public's service—at *your* service.

DAWES BLACK HORSE BREWERY

One of a series of advertisements in tribute to those Canadians in the service of the public

MANAGED INVESTMENT

MacNab's Manager Sells 17% of Stock Holdings

MacNab sells his holdings in four common stocks, as insurance against a further decline which could occur under present jittery market conditions. Proceeds of the sales, totalling $2,528.70 has been added to cash account, pending re-investment at a later date.

The MacNab Account Transactions

Sales

No. of Shares	Security	Sale Price Per Share	Amount
10	McIntyre Porc.	$64	$635.90
30	Dome Mines	23	679.20
5	Cons. Mng. & Smelt.	96	477.10
50	Imperial Oil	15	736.50
			$2,528.70

Credit cash $2,528.70.

MacNab's Manager Says:

On March 15, I sold a substantial portion of your common stocks. The advantage of being partially liquid at this time appears to be obvious. This transaction will realize a profit of $292.75 on capital account. Shares were McIntyre, Dome, Consolidated Mining & Smelting and Imperial Oil. (All of which I regard as sound investments under normal conditions.)

Action of the stock market both in New York and our Canadian Exchanges in recent weeks has apparently been influenced by the threat of war in Europe, and developed into almost panic proportions last week in the junior Canadian gold stocks.

Profits of many large corporations reached a peak in 1947 which may not be duplicated for many years. Nevertheless, the market is disregarding excellent earnings statements, and many stocks look ridiculously cheap on a price-earning basis. The difficulty, however, is that the earnings are last year's, not 1948 earnings. First-quarter reports for this year will not appear until April or May. Until at least quarter earnings are known for many companies, it is rather difficult to project the earnings pattern for 1948 which in many cases will be lower and in others possibly higher than last year, or at least as good.

The effect of deflationary forces, now in evidence, will eventually take care of high costs in many industries and will bring into more normal balance the supply situation in food, building materials, steel and other commodities which are hampering our postwar replacement demand for housing, extensions to plant and the public utility and transportation industries

President Truman's speech recommending universal military service in the United States has reassured the democratic nations of the strong stand against the forces of Soviet totalitarianism which the United States will take during the coming months. It has focused the attention of the world on the crisis which has gradually been building up since the overthrow of the democratic government of Czechoslovakia by the communists this month.

On April 18, when the elections take place in Italy, some clearer picture of the European political situation will develop. In the meantime there is no hurry to rush into the stock market. At the same time, I do not believe that it is necessary to get out of the market entirely, and some further rally in stock prices may take place in the meantime. I am therefore retaining the balance of your holding of common and preferred stocks. Your bank account is invested in short- and medium-term bonds, not subject to wide fluctuations.

Any forecast as to the trend of business or the stock market during this coming year can be upset by international developments. It seems reasonable, therefore, to adopt a conservative investment policy in the interim, which is sufficiently flexible to allow for a quick change in line with future developments. This woulld seem to be the best policy for an investment program for 1948.

From Feb. 14 to Mar. 15 MacNab received $11.27 in dividends. The regular monthly withdrawal of $25 for living expenses was made.

The MacNab Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
		$	$
10	Can. Westinghouse ...	55	39½
50	Hollinger	11	10½
20	Ind. Acceptance A	31	31
15	Inter. Paper	49⅞	48⅝
50	C.P.R.	14⅛	13⅛
15	Int. Nickel	33¼	30½
50	McColl-Frontenac	10½	10¼
	Preferred Stocks		
30	Abitibi $1.50 pfd.	21⅜	19¼
10	Steel of Can.	86	73
10	Goodyear Tire. 4%	56¼	50⅛
25	E. B. Eddy, A $1	22	17
10	B. C. Electric	99½	92
	Bonds		
2,000	B. C. Tele. 4%/62 ...	100.00	101.50
2,000	Can. Sav. 2¾%/56 ..	100.00	100.00
1,000	Can. Sav. 2¾%/57 ...	100.00	100.00
Cash	....		$2,738.06
Prospective annual income	......		$572.00
Current market value of fund	..		$14,817.43
Average yield on original $10,000 is			5.72%

*Valuation at close Mar. 15, 1948.

The Financial Post asumes no responsibility for the specific buy and sell recommendation reported here. The changes and reasons for them are made entirely on the responsibility of two investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not and should not be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

Laval Transp't Bonds Offered

A new issue of $350,000 4½% first mortgage bonds of Laval Transport Inc. is being offered at $101 and accrued interest by Desjardins, Couture Inc. The issue, dated Jan. 2, 1948, is due Jan. 2, 1949 to 1968.

Laval Transport Inc. was incorporated Dec. 16, 1947, in Quebec to acquire the assets and continue the business of Cartier Autobus Inc., and Laval Transport Ltée. Cartier Autobus Inc. bought in 1944, and developed since the lines of Gravel Autobus, serving municipalities north of Montreal. Laval Transport Ltée has operated a bus service for many years from Montreal to Ville Jacques-Cartier.

The company has at present 46 buses, with others on order for delivery during the current year. Its head office and a garage is situated in Ville Jacques-Cartier.

Proceeds of the present issue are to retire an outstanding mortgage loan, to repay other advances, to furnish the company additional capital for the conduct and development of its business and to increase its working capital.

Capitalization outstanding on completion of the issue will consist of $350,000 first mortgage bonds; 500 5% noncumulative preferred shares, par $100, and 500 common shares.

Officers and directors are Paul Cloutier, president; Rene E. Charron, Vice-President; Lucien Roux, Lucien P. Blair and Rene Desjardins, all of Montreal.

Ottawa Helps City Collect Its Taxes

Ottawa's official Central Mortgage & Housing Corp. has agreed to collect, on behalf of the City of North Vancouver, taxes levied by the municipality on 695 tenants of Wartime Housing in amounts varying from $4 to $4.50 a month, the Government answered a recent questioner in the Commons. The questioner had asked whether CMHC recently concluded an agreement with North Vancouver providing for a 20% hike in rental rates. To that, the answer was "no" and the foregoing explanation added.

Average cost of construction of the 695 houses in the development was put at $2,860.67 in the same reply.

As for maintenance costs, these couldn't readily be shown for an individual project. For economy of administration, the Government explained, projects for an urban area such as Greater Vancouver are grouped under management of one office and costs recorded in one over-all accounting system. The following table shows the average maintenance cost per unit for units under administration in Greater Vancouver:

Period:	No. of units at end of period	Aver. maint. cost per unit
Ap. 1 '44 to Mch. 31 '45	759	$21.01
Ap. 1 '45 to Mch. 31 '46	1,393	28.18
Ap. 1 '46 to Dec. 31 '46	1,865	48.45(1)
Year 1947	2,172	24.61

(1) This included an average $31.80 per unit for outside painting and roadway maintenance.

Vancouver Warehouse Opened by W. J. Gage

W. J. Gage & Co., Toronto, manufacturing stationer, has opened a 5,000-sq. ft. warehouse and sample room at 311 Water St., Vancouver. Gage, besides extensive Toronto facilities, operates a branch factory in Winnipeg, warehouse in Montreal, sample rooms in Ottawa, Halifax, Quebec City.

Eaton's Plans New Store On Vancouver Hotel Site

Confirmation of the purchase of the old Hotel Vancouver and of the York Hotel (in the same block in Vancouver) by The T. Eaton Co. Limited was given last week by President John David Eaton. Erection of a new modern department store is planned.

Razing the present buildings will be proceeded with as soon as possible, Mr. Eaton stated. It will depend on finding accommodations for the veterans' families now occupying the old Hotel Vancouver. The Government's lease expires April 30, 1948, and the company understands that as housing becomes available the Government will move the veterans out. Construction of the new building will depend on availability of materials.

The new store will occupy about three-quarters of the block bounded by Granville, Georgia, Robson and Howe Streets and will be one of the firm's largest retail outlets. Actual plans are still very much in the drafting stage, Mr. Eaton stated.

J. R. Jenkins of Winnipeg has been appointed supervisor of the company's operations in British Columbia with David Kinnear of Hamilton as his assistant. Mr. Jenkins is at present visiting the newest United States department stores in search of ideas to incorporate in the Vancouver building.

Announcement of the purchase of the old Vancouver Hotel and the York Hotel from the Canadian Pacific Railway, consummated Feb. 28, has been withheld until details were completed for the purchase of other property for a parking lot about a block away, Mr. Eaton stated. This was completed last week and involves almost the whole block bounded by Smythe, Howe, Nelson and Hornby Streets. Price paid to the CPR was $1,850,000 according to the prospectus for The T. Eaton Realty Co. bond issue. No price was disclosed for the parking lot.

When completed Eaton's present mail order showroom will be incorporated into the new building, Mr. Eaton stated.

The old Vancouver Hotel was Vancouver's most elite hostelry until the construction of the new Hotel by the CPR and CNR jointly. Mr. Eaton revealed that the site had been under consideration for a long time but decision had been arrived at only recently. "I have always had a leaning for that site," he said and added that every real estate man in Vancouver had offered to sell it to him at one time or another.

Ajax Not for Tenants WAC to Sell Buildings

MONTREAL (Staff) — Space rented to commercial concerns in surplus Crown-owned buildings at Ajax, former Defense Industries plant near Toronto, is not being used for industrial purposes, a War Assets Corp. official stated. It is merely for temporary storage of materials purchased from War Assets.

A news story published recently stating that commercial enterprise was being encouraged there by means of multiple-tenancy was incorrect, the WAC spokesman said. He explained that WAC had sold considerable surplus material at Ajax to large purchasers who lacked storage space to which the goods might be moved. Until warehousing facilities have been secured elsewhere these firms had rented a total of 81,364 sq. ft. of unheated space in four Ajax buildings at a rate of two cents a sq. ft. per month.

WAC hopes to dispose of the Ajax buildings as soon as possible after they have been cleared of goods, it is stated. Approximately 180 other buildings at Ajax are rented to the University of Toronto at an annual charge of $50,000.

Champion Repeats In Manitoba Barley

From Our Own Correspondent

WINNIPEG — George G. Elias, Haskett, Hamilton, Manitoba, produced Canada's highest quality carload of malting barley in 1946 and was awarded the major prize in the National Barley Contest, is Manitoba champion again. National winners will be announced March 28. Twelve finalists are in the running for the National awards, four each from Manitoba, Saskatchewan, and Alberta.

ANOTHER NEW REGULATION!

The continuous stream of government regulations have the property owner humping to keep up with them. If he has other business interests he just can't. The professional property manager keeps abreast of all new regulations—knows how to handle them without headaches to the owner.

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▶ Pensions are contingent upon Company's future earnings and the attitude of future management.	▶ Pensions not dependent upon Company's future earnings nor attitude of future management. Fund is always available to pay pensions earned to date.
▶ If management accepts principle of pensions for long-service employees, Company's Balance Sheet gives false picture of its position.	▶ Fund has been built up and written off as expense. Balance Sheet gives true picture of the Company's position.

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REMEMBER, if you have a "pension policy" but no "pension plan", your assets are over-stated in the same manner as if you had neglected to provide for depreciation.*

Your pension plan is your "manpower depreciation reserve". Only an experienced and *independent* consultant can set it up properly.

* *If you are ever involved in the purchase of a company with an unfunded pension policy but no funded pension plan, be sure to have its liability valued.*

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We Can't Write Off Europe

Few if any countries have as a great a stake as Canada in the recovery of Western Europe, including Great Britain. For a long time to come that area promises to be a huge market for food and Canada has the plant to supply that food.

Some significant figures have just been released by the American Federal Reserve Bulletin. These show that in most of Western Europe industrial production is now greater than prewar. This is particularly true of Britain, Belgium, Denmark, Norway and Sweden. In Holland and France industrial output is now about equal to prewar. One notable exception is the Western zone of Germany, but even here the picture is beginning to show marked improvement.

In food production, however, there is a striking contrast. For the area as a whole output of food is running only 80% of prewar. Some improvement is still to be expected but there is little hope that it can ever be raised to the point where that part of the world will be self supporting.

There are two sound reasons for that conclusion. First, the population is still increasing—there has been a gain of 11% since 1939. Secondly, Western Europe for many decades has never been self-supporting in food, because it was there that most of industry has been concentrated. It was the Eastern half of the continent, now largely behind the Iron Curtain, that was the surplus food producer and even its output was insufficient to meet the total deficit in prewar days. The gap had to be filled by imports from the Americas and Australasia.

With Western Europe on its feet and prosperous, nothing could stop an enormous demand for Canadian wheat, meats, fish and other food products. That is why every Canadian has a vital interest in the recovery of Western Germany and in this new movement toward closer economic union of Britain, France, the Benelux group and possibly the Scandinavian countries. Anything they can do to guarantee their mutual protection and industrial development is bound to help Canadian trade.

In this greater market for our surplus food, Western Europe offers us something we must obtain and have small chance of securing elsewhere. We can hope to expand our industrial exports to the United States, to Latin America and to our sister Dominions below the equator. But nearly all these countries are either surplus food producers themselves or at least largely self-sufficient. We can hardly hope to sell to them the food that we would normally export to Europe.

Aside altogether from sentiment Canada has very real ties with Europe, ties that cannot be severed without enormous and tragic repercussions on the Canadian economy.

Not All Black

Hume Wrong, Canada's suave Ambassador to the United States, can see at least one light patch in the generally black international skies.

It is last week's demonstration that the United States has repudiated isolation; recognizes and is prepared to carry out the responsibilities which power places upon it.

Speaking to the Canadian Club at Toronto, Mr. Wrong referred to the passage by the U. S. Senate of the European Recovery Program.

> "There are some bright spots in the gloomy sky. This is the chief of them—that the U. S. has shed its old armour of isolation, which used to seem so safe and satisfactory in peacetime and proved so antiquated and useless in time of war. The U. S. is in truth the most powerful country in the world, and one cannot but be relieved and heartened that its people are realizing the sobering responsibilities of power."

Mr. Wrong pointed out that the Senate voted for the plan 69-17 and that taking into account the announced opinion of senators who were absent from the vote, the result would have been 76 for and only 20 against. Two years ago predicting any such change of heart, such recognition of responsibility, would have been rash prophesy indeed, our ambassador declared.

Mr. Wrong's words make it plain that he does not believe war to be in the offing.

> "We certainly are not bound inevitably to fight another great war in order to prevent our freedom from being overthrown . . . I believe that there is no short or easy road to security and lasting peace. We shall, I am sure, continue to be faced for several years at least with recurrent crises and pressing anxieties which will affect the lives of every one of us.
>
> "We must not allow disillusionment to turn into despair or anxiety into panic. There are real grounds for hope. Some of our disillusionment arises from having set our hopes too high in the last stages of the war, just as we did 20 and more years ago after the other war."

Publishing Costs Doubled

Further increases in Canadian advertising rates were predicted by Floyd S. Chalmers, president, Periodical Press Association in a recent Toronto address. Mr. Chalmers pointed out that the moderate increase in advertising rates in recent years has not been nearly sufficient to absorb extra costs. He argued that more flexible advertising budgets were necessary so that publishers would be able to adjust rates to rising costs "as quickly as in any other business."

This speaker estimated that the cost of turning out a publication had doubled since before the war and cited these specific increases since 1940 for one large publishing company:

	Increase Since 1940
Paper	76%
Pressroom	93%
Bindery	108%
Composition	110%
Mailing	140%

Practically everything the publisher must purchase is subject to price increase on short notice, Mr. Chalmers stated. By the time he gets delivery on a press the price may have advanced from 10 to 25% and this increase, under the original contract, must be paid. In less than two years there have been six increases in paper prices. Engraving, costs, wages and salaries have moved up steadily. Under such circumstances the rather wide-spread practice of guaranteeing advertising rates up to 12 months in advance cannot be considered sound business.

We Are Interested, Too.

Canadians have a stake in the battle now beginning in Washington over renewal of the Reciprocal Trade Agreement Act. It is the measure that gives the President authority to cut tariffs up to 50% without reference to Congress. Every cut from the sky-high U. S. tariff of 1930, all the various trade agreements made since then, including the recent Geneva Pact, were made possible by this Act.

Four times the Act has been extended for periods of three years. Now President Truman is asking Congress for another lease. Canada and other countries vitally concerned with expansion in world trade will watch with interest the reception of Mr. Truman's request.

Floods Can Be Controlled

In the last few weeks floods have caused enormous damage in the villages, towns and smaller cities of Ontario and before the spring is over there will be similar losses reported from other areas of Canada. If this sort of thing happened only once in a lifetime there might be some excuse for ignoring it, for writing it off as an act of God. But in nine cases out of ten, these floods could more accurately be described as an act of man, and they occur almost every year and with increasing severity.

Unless we decide to abandon most of our arable land entirely and turn it back into forest, we cannot hope to eliminate flooding altogether. But we can bring it under control.

Engineers have been telling us how to do that for years. Certainly it will cost money—perhaps half as much as the damage done by a single flood—and will take time and community co-operation.

It is not something that we are going to cure overnight, or with little isolated plans. Many dams, great and small will have to be built, certain narrow channels through towns widened or rerouted, possibly some extensive dredging done at river mouths. And then we will only have started.

The real trouble traces to the removal of the trees. With the land bare, the winter snows and the heavy rains move far too quickly down the valleys. We can't plant all our land with trees to slow the rush, but we can cover far more steep hillsides and far more shallow and stony soil that has never been worth farming anyway. When we have done that we will at least have our floods under control.

It will take years, because trees take years to grow, but the sooner we start the sooner we will be rid of the expensive spectacle of normally respectable little streams pouring millions of tons of water down the main streets of our most prosperous towns.

Prove Our Way Best

Nothing is quite so convincing to the average man as practical demonstration. Long ago the great teachers, doctors, salesmen, preachers and others discovered that simple truth. Prove that your machine, or your method is better by actual test and you won't need to worry about competition.

That same principle must be used by individual enterprise in its no-quarter struggle with communism.

W. D. Jones, president of the Canadian section of the International Chamber of Commerce, summarized the job in three sentences in a Montreal speech last week when he said:

> "Businessmen in all free countries must close their ranks, strengthen their resources and make this capitalist system of ours work as it never worked before. Only by setting an example of superior organization, greater production and a higher standard of living for all than that of any Communist area, can we hope to defeat the claims, theories and even physical advance of the black plague of Communism. We are already far ahead of the Communists in the production and distribution of all the good things of life and by putting our shoulders together we will make our recent victory over Fascism but a prelude to an even greater triumph over Communism."

Focusing Attention on Trade

Coincident with the first week of the International Trade Fair to be held in Toronto May 31 to June 12, a World Trade Week will be observed across Canada. Although such weeks have been an annual event in the U. S. since 1935 and similar events have been staged in Toronto and Vancouver in the past two years this will be the first nation-wide effort of its kind.

World Trade Week is something to be commended by all public-spirited Canadians and deserves the support of all businessmen: this, indeed, it has, in that sponsorship comes from the Canadian Chamber of Commerce, the Canadian Manufacturers', Importers' and Exporters' Associations and the Canadian section of the International Chamber of Commerce.

In character there's nothing very remarkable to be found in the plans for the Week which local committees everywhere are now working on for translation into action. In essence it has but one objective: to point up to all Canadians the vital importance of export trade to the people's standard of living. Three out of every eight workers owe their jobs directly to our foreign trade; 35 cents out of every dollar of our national income comes from world trades.

No Color Ban, Thank You

A Quebec reader of The Financial Post suggests that if and when margarine is permitted in this country, no yellow coloring should be allowed. Let it be sold in its natural white, or pink, green or blue, he says, but not yellow. "If those who want margarine sold in Canada will consent to tint their product an appropriate delicate pink," this man promises, "there will be no objection from Canada's makers of butter."

Far too long have Canada's makers of butter been dictating about this margarine business, with the consumers interest completely ignored. The ban against the manufacture, sale and importation of margarine should be abolished, and it should be abolished completely. There should be no nonsense about coloring.

If the consumers want margarine tinted they should have it tinted and with any color or combinations of color they desire. So long as it and butter are plainly marked there will be no confusion.

Actually much of our butter is tinted and the great bulk of our cheese and many other food products, too. If consumers prefer them that way that is their business and theirs alone.

There should be no bargaining whatever about the removal of the ban on margarine. We should never have had it in the first place and it should go now, lock, stock and barrel.

Napier Moore's

ScratchPad

UNTIL LAST FRIDAY we never had heard of Edward Keeling, Conservative member for Twickenham in the British Commons. Now we're a Keeling fan. Rising in the House, Mr. Keeling put up a fine case for the use by ministers and civil servants of simple words instead of governmental jargon which is just turkey-gobble to ordinary people. Glenvil Hall, Financial Secretary to the Treasury, agreed with the argument; announced that a textbook of plain words for civil service use will be issued next month.

We hope all Governments in Canada will supply all their departments with copies.

Incidentally, we have before us quite a swanky-looking book prepared by the Ontario Bureau of Statistics and Research Department of the Provincial Treasurer. It contains a lot of facts about Ontario and Canada generally. In a foreword, Harold J. Chater, provincial statistician, says the bureau will welcome criticism.

We can offer one comment right off the bat, before we have delved into the contents. The title—"A Conspectus of the Province of Ontario"—is going to mystify a lot of people who won't bother to consult a dictionary. Mr. Keeling would be death on Conspectus. It certainly terrifies us.

• • •

WE MIGHT AS WELL RECORD, too, our unrest over the number of ordinary business letters which are cluttered up with ponderous, and often meaningless, phrases; hang-overs from the age when handwriting and forms of expression both were expansive. We hesitated to mention handwriting, because in that regard moderns have gone to the other extreme. It is exceptional to find a man in his seventies who doesn't write plainly. But the scribblings of too many younger businessmen defy detection. That is particularly true of signatures. A growing custom is for stenographers to type the name under them so that one knows it is a name and not the fellow's cardiograph chart.

• • •

CURTAILED TRAIN service in the U. S. may bother business, but for a real headache let's look at India. This is an extract from a letter written by the manager of a large store in Calcutta, airmailed March 8: "Believe it or not there are no trains running to Lahore from Delhi and very few from Lahore to Karachi . . . It is sad to believe that an organization such as we had in India has completely broken down in the north. Great difficulty also is being experienced in trains running from the Dominion of India through Pakistan territory. I have a consignment of goods lying here for two months to go to Assam, and on enquiry at the railway office was told that no trains were running on that particular line for nearly two months."

• • •

DENTON MASSEY, once leader of the world's biggest Bible class, member of Parliament, RCAF group captain during the war, heads a Toronto automobile and service agency which recently moved into new quarters. A week or two ago, an idea struck him with force enough to slice him in two. He was shaving at the time. Thinking of his company's telephone numbers, he noted with satisfaction that the exchange dial signal was MA, first two letters of Massey. Then came the inspiration. Why not, for emergency service calls, get the numerals which coincided with SSEY? Thus all a caller would have to remember would be the name MASSEY. Dial the name, get the right number! Hardly waiting to wipe off the lather, he got in touch with the telephone company. It took a very dim view of the suggestion. Among other things, the desired numerals belonged to another party, and it wasn't Bell practice to mess around with other people's numbers. However, following considerable discussion it was finally agreed that if Massey could persuade the owner of the wanted number to agree to a switch then the Bell company would co-operate this once. The party turned out to be an insurance agent who, fascinated by the ingenuity of the plan, agreed to change numbers.

• • •

SEVERAL WEEKS AGO we reported that, following a speech at a Toronto luncheon club, a distinguished British scientist mystified us by twiddling a small screwdriver. The other day, Finance Minister Abbott spoke at the same club. No sooner had he finished his address than he, too, was seen to be clutching a screwdriver. Now the mystery is solved. We discover that a certain undertaker makes a practice of handing out screwdrivers at every opportunity. We don't know whether he regards the implement as a subtle form of business card, or as a symbol of his belief that a loose world could be tightened by a turn to the right. In short, to us, the whole thing appears inscrewtable.

Stop Me If—

He went boldly up to the box-office of the big theatre.

"Have you three seats in the front row for the performance tonight?" he blandly asked.

"Yes," replied the girl behind the grille, with unconcealed eagerness.

He smiled pleasantly at her.

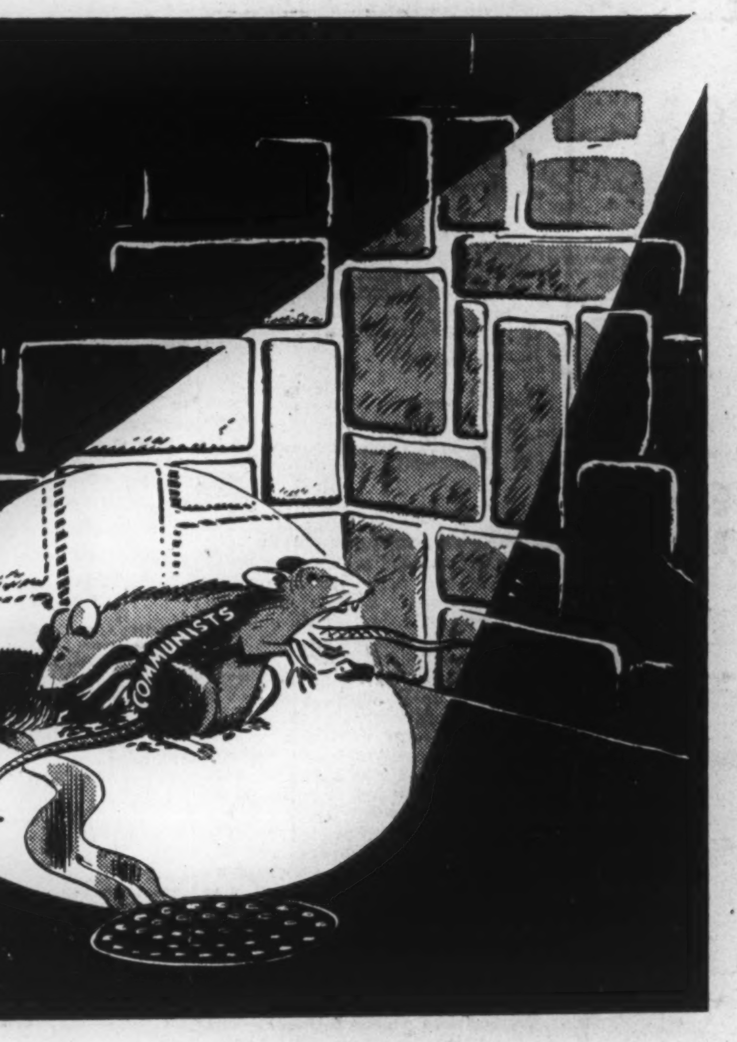
"In that case I don't want them," he replied; "the show can't be much good."

• • •

A farmer, having failed to catch a boy who had been picking apples from one of his best trees, tried a change of tactics.

"Come here, little man," he said in a wheedling voice. "I want to tell you something."

"Not likely," shouted the boy. "Little fellows like me don't need to know everything."



—*Cartoon by Grassick.*

KEEP THEM IN THE SPOTLIGHT

Post Scripts

G.T.M. of C.P.R.

Clarence Ernest Jefferson, recently appointed general traffic manager of Canadian Pacific Railway, has one of the biggest transportation jobs going. From his Montreal office he bosses his company's far-flung freight, passenger and steamship business. Jefferson is the first man to hold this position since it was created as part of the reorganization in CP's traffic department.

MR. JEFFERSON

Clarence Jefferson is one of this country's leading traffic authorities. He joined CP in 1906 and has been freight traffic manager for the past 18 years. In the early days of his career in Boston he laid the groundwork for his reputation as an outstanding rate expert. His service as a traffic man includes eight years, in the 1920's at Winnipeg as general freight agent and assistant freight traffic manager.

A New Englander, Jefferson was born in Boston in 1889. He received his schooling in that city and was married at 21 to Nina May Robinson, a fellow Bostonian. They have a son, Norman F., living in Hamilton. Another son, Lawrence Ernest, was killed near Caen in 1944 while serving with the Royal Canadian Hussars.

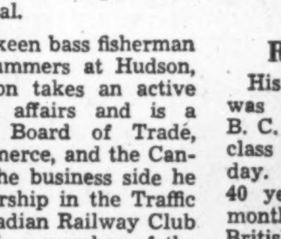
Jefferson's first railway job was with Canadian Pacific Despatch in Boston as an office boy. In 1911 he joined the tariff bureau of the Boston & Maine, Central and New York, New Haven & Hartford Railroads. Two years later he left to become a percentage clerk in CP's freight tariff bureau at Montreal.

He says he is a keen bass fisherman and enjoys his summers at Hudson, Que. Mr. Jefferson takes an active interest in civic affairs and is a member of the Board of Trade, Chambre de Commerce, and the Canadian Club. On the business side he also holds membership in the Traffic Club and the Canadian Railway Club at Montreal. He is a member of the Whitlock Golf Club, Hudson, Que., Manitoba Club, Winnipeg, Toronto Railway Club and the Transportation Club there; also the Traffic Club of New York.

• • •

President Manitoba Bar

The Manitoba Bar Association was the first organized group of Canadian lawyers to try an experiment in public relations. In the early months of the war a committee of its members prepared a series of brief skits based on actual, occurrences of legal practice. Most of them were routine incidents of everyday life in which one of the principals had suffered financial loss or other such embarrassment through failure to get a lawyer's advice.



MR. HUGHES

They were published once a week as advertisements in the press under the caption. "Harold Lex." Harold Lex is now well known throughout Manitoba and beyond, so well in fact that lawyers in other jurisdictions both in Canada and the United States have been asking about the Manitoba experiment. The cost is about $125 a month, financed by assessments on the 390 members of the Association which has on its rolls most of the practicing lawyers in the province.

The recently elected president of the Manitoba Bar Association, Harley M. Hughes K.C., Winnipeg, was one of the promoters of the idea and was chairman of its public relations committee when the campaign was being planned.

Born, raised, and schooled in Brandon, he graduated in Arts from Brandon College in 1915. He articled in law in Winnipeg with Sir James Aikins, a former Lieutenant-Governor of the province and got his law degree and call to the Bar in 1920. He started professional practice in the former legal firm headed at the time by Sir Hugh John Macdonald, later police magistrate in Winnipeg. Two of the other partners were R. W. Craig K.C., for 10 years attorney-general in the Bracken government, and E. J. Tarr K.C., now president of Monarch Life. Both have retired from active legal practice and Hughes is now senior member of the firm.

Apart from his law practice Hughes is president of Hughes & Co., Limited, a realty and financial firm in Brandon founded by his father Joseph H. Hughes in 1882. Joseph Hughes was mayor of Brandon in the years his son was attending Brandon College.

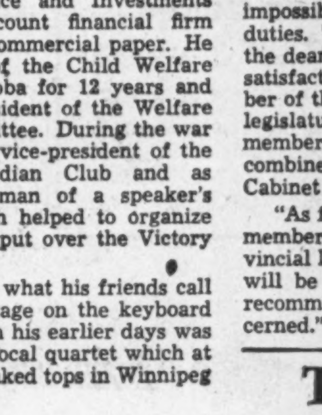
Harley Hughes is also president of Canadian Finance and Investments Limited, a discount financial firm which handles commercial paper. He was chairman of the Child Welfare Board of Manitoba for 12 years and is now vice-president of the Welfare Advisory Committee. During the war years he was a vice-president of the Winnipeg Canadian Club and as such was chairman of a speaker's committee which helped to organize the province to put over the Victory loans.

Mr. Hughes is what his friends call better than average on the keyboard of a piano and in his earlier days was a member of a vocal quartet which at one time was ranked tops in Winnipeg musical circles.

• • •

Rules For Businessmen

His primer for success in business was outlined by H. R. MacMillan, B. C. lumber king, to the graduating class in commerce at UBC the other day. Big, outspoken MacMillan, who 40 years ago held down a $100-a-month job in the British Columbia civil service laid down these basic rules:



MR. MACMILLAN

Keep your word and your signature good, even if it involves a loss.

Choose a business with an evident market, even if a competitive one.

Avoid being margined. Do not overtrade. Do business only in relation to the capital possessed, and do not extend too much credit.

Admit you're bound to suffer a loss once in a while. Learn when to drop a sour idea.

Choose assistants by merit solely.

Do your homework. If you're in business, you've got to be in business.

At first, don't take out of business more than you put in. Put profits back to strengthen business.

Support those who do well for you. Increase pay and provide incentive.

Recognize the importance of timing.

Don't frighten easily. Have confidence in your organization and your country.

Mr. MacMillan urged graduates to stay in Canada and make their objectives the development of increasing use of natural resources.

"Resist the few extra dollars in the greener-looking land," he said. "Of 50 Canadians attending Yale University 40 years ago, I was the only one who returned to Canada. I turned down two and one-half times as much salary as I then got in Canada, and I have never regretted it."

What Others Are Saying

Editorial of the Week

Wanted a Uniform Labor Code

Montreal Star

The need for a uniform labor code has long been apparent in this country. At present we have ten labor jurisdictions, one for each of the provinces and a tenth for the Dominion. Dominion jurisdiction extends only to shipping, railways, canals and telegraphs, broadcasting and such works as may be declared by Parliament to be for the general advantage of Canada or for the advantage of two or more of, the provinces. This last peovision would seem to take in a great deal of territory. In fact it doesn't, and the greater area of labor jurisdiction is in provincial hands.

Labor itself, or a great part of it, would welcome uniform labor legislation across the country, either by way of provincial adoption of the federal labor code or the enactment of concurrent legislation. The proposed federal code opens the way. It provides that where legislation enacted by the legislature of a province and the federal code are substantially uniform, the Minister of Labor of the Dominion may enter into agreement with the provinces to provide for the administration of the provincial legislation by federal officers. Even if the provinces were not prepared to accept federal administration of the labor codes, uniform codes containing the clauses suggested would help protect labor from the subversive elements trying to use it for purposes that are not labor's.

Other People's Views

WRONG AGAIN were those who predicted a great exodus back to the land after the war, says the **Calgary Albertan.** "The facts are that men and women are staying where they found jobs during the war. Nearly all the cities have gained in population since the end of hostilities."

CUTTING DOWN TREES has been suggested as one means of getting rid of starlings. The **London Free Press** doesn't think much of that remedy. "Perish the thought! One of the things that is wrong with Western Ontario today is that we have too few trees. We need more of them."

STRUGGLE FOR FREER TRADE by the Western farmer is seriously weakened by his acceptance of the ban on margarine, maintains the **Winnipeg Free Press.** "This is protection at its worst, and it is discouraging to reflect that a portion of the greatest industry in the nation, agriculture, should be guilty of the same tactics which farmers resent in such groups as the textile manufacturers."

ARE WE LIQUIDATING our war potential too soon, asks the **Winnipeg Tribune,** especially those pertaining to air defense? "In the minds of Canadian laymen there is likely to be some uneasiness at this time over the rapid disposal of air training centres, auxiliary airports and war factories. People remember how long it took to tool up Canada's war potential in the second great war and they realize with a great deal of misgiving that in an atomic war there will be no such long period of preparation. The first warning may be the first bomb and after that it is too painstakingly slow to start building airdromes and setting up war factories which have been pulled down in the period of reconstruction and rehabilitation."

SHOULD UNIVERSITY PROFESSORS be permitted to hold political office? **McGill University,** says the **Montreal Gazette** after full consideration has struck "a sound balance. The regulations would leave members of the staff entirely free to engage in any political activity that would not make such demands upon their time as to render impossible the carrying out of their university duties. The regulations consider that the duties of the dean of a faculty are such that they cannot be satisfactorily performed by anyone who is a member of the Federal Parliament or of any provincial legislature. They also consider that full-time members of the teaching staff cannot properly combine their duties as professors with those of a Cabinet minister or of a parliamentary secretary.

"As for full-time professors who wish to become members of the Federal Parliament or of a provincial legislature, the possibility of granting leave will be considered, with special reference to the recommendation of the dean of the faculty concerned."

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Subscription Terms: Single copies, 15c. Yearly: In Canada and British Countries (except Australia) $5; Australia, U.S.A., Mexico, Central and South America, France, Spain, $6; other countries, $7.

Advertising Rates: Single insertion, $4.90 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

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481 University Avenue, Toronto 2

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OTHER SERVICES: Canadian Press Clipping Service.

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MONTREAL Centre 2: Dominion Square Bldg., Marquette 2331.
NEW YORK 18: 522 Fifth Ave., Murray Hill 2-7888.
CHICAGO 6: 309 West Jackson Blvd., Harrison 7890.
LONDON: Maclean-Hunter Limited, Sun Life of Canada Bldg., Trafalgar Square, London S.W.1, Cable Atabek. Whitehall 6642-3.

Mar. 27, 1948

Customs Union with U. S.?

The Question: Life Magazine proposes complete U. S.-Canadian customs union. Do you think this desirable or probable?

A customs union between Canada and the United States, as advocated by Life Magazine last week, has caught the attention of many informed Canadians, a Financial Post questionnaire indicates While the majority stressed that the step must not involve any economic or political domination, they felt that closer trade relations, and a minimum of fiscal barriers, were desirable. A few argued, instead, that Canada should seek to build up her trade with British and other sterling area countries; but some suggested this could be taken as a second step.

R. C. BERKINSHAW, Vice-president & General Manager, Goodyear Tire & Rubber Co. of Canada.

In my opinion U.S.-Canadian customs union is neither desirable nor probable. Americans and Canadians have been co-operating in war and peace on the most friendly basis and in a generally effective manner on matters of common and vital interest. For many good reasons, this happy relationship should be continued.

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S. L. CAPELL, President, Philco Corp. of Canada, Toronto.

Economic partition of United States and Canada restricts maximum use of North American economic resources in stabilizing world conditions and promoting international prosperity, on which our future depends. If carefully planned in co-operation with industry, customs union could be effected with minimum disturbance of trade and employment; and in the long run would mean a higher average living standard for Canadian people and greater security for all. Canadian management and labor are capable of holding their own if given equal markets, and they have nothing to fear. My personal opinion is "Eventually, why not now?"

• • •

GEORGE C. COCKSHUTT, Industrialist of Brantford, Ont.

Complete U.S.-Canadian customs union is not desirable. Canada has everything to lose, little to gain. United States, being the wealthier partner, would dominate economically and politically. We would lose the British preferential tariff and Commonwealth markets. Branch plants operating under present tariffs would be disrupted. Our railroad system would be adversely affected, as traffic would develop north and south. Canada would become a source of cheap raw materials for United States instead of being processed in Canada. Canada should develop her own coal, oil and steel industries to conserve dollars. A vigorous immigration policy should be pursued, to increase home consumption. We should purchase more goods from the sterling block and reduce our imports from the dollar areas to maintain a capable, solid and stable Canadian way of life. As a step in the right direction, the United States can further our mutual relations by removing the invisible tariffs and immediately implementing the Geneva tariff agreement.

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W. J. DOWLER, Secretary-treasurer, Winnipeg Manager and Director, Parrish & Heimbecker Ltd.

I believe complete U. S.-Canadian customs union, provided it does not envision political union, is most desirable and of benefit to both countries as the first step toward world free trade; and that the next step should be to invite Britain and the Commonwealth nations to join. I believe that the competitive wage factor would be offset by nearness of natural products and our inventive genius, thus insuring greater production per man; and that such union would solve many present problems caused by restrictive legislation. I believe the general trend will be in this direction and that in case of war, such nonpolitical union is essential. If desirable and beneficial in war, why not in peace?

• • •

J. CLAIR GANONG, Managing Editor, Times-Transcript, Moncton, N.B.

In the light of recent history and facts of geography, it would appear that Canada's economic future is more closely tied to the economy of the United States than with that of any other nation. Therefore, it would seem that anything which would weld the economic effort of the two nations closer together, would be of benefit to themselves and to a world which is sadly in need of the kind and quantity of aid they are capable of providing. But while complete customs union may be desirable, particularly from the viewpoint of the Maritime provinces, which have been paying heavily for the privilege of buying made-in-Canada goods manufactured in the heavily industrialized and tariff protected areas, such a union would cause a serious upheaval in many businesses on both sides of the border. For that reason, complete customs union between the United States and Canada would appear to be much more desirable than probable.

HARRY P. HODGES, Editor, Victoria Daily Times.

Because Canada's economy is so closely related to that of the United States, and in view of the seriously unbalanced condition of our mutual export and import business, the proposal for a customs union is entitled to early and dispassionate consideration. Although we are living in a rapidly changing world politically, the basic fact remains that our business dealings with our great neighbor to the south must be placed on a new footing, if the cause of Canadian progress is to be served. Naturally enough, this country will enter into no arrangement that would transform us into hewers of wood and drawers of water. But there would appear to be so much ground on which our common interests could be advanced, that Life's argument commands careful study.

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C. W. LOCKARD, President, International Harvester Co. of Canada, Hamilton.

In view of current world trends, it is my personal opinion that a complete Canada-United States customs union would be beneficial to both countries. United States needs Canadian raw products and industrial production. Canada needs United States markets.

• • •

BERNARD LOCKWOOD, General Manager, Maritime Life Assurance Co., Halifax.

U. S.-Canada customs union is geographically natural and therefore desirable. This applies particularly to the Maritime provinces. However, in the broader field there might be a resulting tendency for Canada to become an outlying territory of a larger economic block. Retention of industry in Canada is essential. Such union would seem to necessitate revision of policy regarding preferential tariffs for Canada and United States. This might militate against such a union's becoming effective. Parity of the dollar would also be involved.

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CARLYLE ALLISON, Editor-in-chief, Winnipeg Tribune.

Economic union between Canada and the United States seems neither desirable nor probable. Life's editorial appears both friendly and magnanimous, but it overlooks important angles from a Canadian viewpoint. As a Tribune editorial says, perhaps the greatest obstacle in the path of such an arrangement would be lack of continuity in dealing with trade matters on the part of both Canadian and American governments, but particularly at Washington. If customs union were established, and complete free trade followed, one of the early results likely would be disposal of some American branch factories in Canada. Then, with a change of administration and policy, Canada could lose some of her industrial establishments and we would be back in a position of greater economic servility to the United States. Such an eventuality could be the ruination of Canadian industry, which has had a slow and painful adolescence. Another angle is that a customs union would aggravate our present unfavorable U. S. dollar position; and a uniform currency obviously would not be feasible without a political union. Still another point, is that Canada and the United States produce largely the same primary products and many of the same types of manufactured goods; and our natural market is with Britain, western Europe and other overseas countries which do not produce enough food for their own consumption. The United States and Canada compete with many of the same surplus products.

Under a customs union, Canada would revert to the position of a hewer of wood and drawer of water for an industrialized United States. Rather than a customs union, Canadians should make every effort to induce American importers to take a greater volume of Canadian exports, or, as a penalty, reduce the amount of Canadian buying south of the border and at the same time work and pray for re-establishment of sound economies in the British Isles and other European nations, which have been our traditional long-term customers.

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ANGUS MacINNIS, M.P. (CCF) for Vancouver East.

I am not sure what the term "complete U. S. customs union" implies. If it means the elimination of all customs regulations, I do not think it desirable. The economy of Canada is competitive with, not complementary to, that of the United States. Consequently, there would be no economic gain to Canada in a customs union. Because the economic power of the United States is greater than Canada's, customs union would tend to political and economic domination of Canada. Friendly co-operation with all nations willing to co-operate, with general lowering of tariffs, is a better policy for Canada than a customs union with the United States. Is a customs union probable? As far as I can see into the future, no.

• • •

T. C. MacNABB, Former President, Board of Trade, Saint John, N.B.

Were men unselfish, all tariffs could be scrapped so that the products of the mines, the farms, the forests and the sea would be available with the least expenditures of man's energy. If Canada is to remain a nation industrially developing, it cannot agree to such a customs union. Political unions would necessarily follow economic unions. Customs union is improbable now because the U. S. business mind is fixed upon protective tariffs. There is the Geneva Pact which includes some 17 nations in such a move and Canada's own currency troubles, namely the U. S. dollar famine.

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J. A. MORRIS, Editor, Journal, Prescott, Ont.

Customs union discussions require clear-headed thinking to evade narrow national hysteria which wrought havoc in international understanding in the past. I believe, however, that Canada should stick to Mother England and the Empire. Britain, motherlike, has shielded us in two world conflicts; now she requires our help — a lot of it — and it is to Canada's selfish interests and conscience she give that help. U. S.-Canada customs union would perhaps raise Canadian living standards; but in energetic application of Empire preference, we can assist Great Britain to raise her standards materially and profit ourselves. We must keep our economic control in our own hands.

• • •

H. A. RAMAGE, Editor, Advertiser Topic, Petrolia, Ont.

Complete United States-Canadian customs union is not desirable at the present time but a more liberal view of the tariff subject might well be considered. The question today is a broad one, with its ramifications worldwide, and differs a great deal from the Reciprocity Treaty between the two countries, which ended in 1866 after a 12-year trial, much to Canada's disappointment. Recently in Europe, western countries formed a customs union and on our own continent, our two countries are being brought closer together commercially, just as we were militarily in the last war. While Canadians wouldn't wish to change their political relationship with Great Britain, freer trade between Canada and the United States as urged by Sir Charles Tupper, Goldwin Smith, Sir Wilfrid Laurier and many others, would bring many benefits to Canada as a whole. The two countries should have an agreement that their chief natural products should be on the free list and duties should be lowered on a considerable list of manufactured products along the lines of the King-Hull agreement of 1935.

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B. T. RICHARDSON, Editor, Star-Phoenix, Saskatoon.

Life's contention that United States cannot get along without Canada and Canada cannot get along without United States, is fundamentally true. In the past 10 years, through agreements such as Ogdensburg and Hyde Park, we have obtained increasing co-operation that is mutually beneficial. We should continue to lead the world in international co-operation, recognizing as our objective not solely a customs union, but the unity of the western world.

• • •

FOSTER M. RUSSELL, Editor, Sentinel-Star, Cobourg, Ont.

Customs officials here are dubious of a proposed union of U. S. and Canadian customs under international jurisdiction. They say it is hard enough for officials to keep tab on Canadian regulations, let alone U. S. ones. They did say, however, that a union might be worked out at certain border crossing points not separated by wide stretches of water. As for Cobourg, "No." The plan could not be worked out here to mutual satisfaction; Canada would come out second best.

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PROF. H. D. WOODS, Head, Department of Commerce, McGill University, Montreal.

Customs uinon of United States and Canada involves a sharp break with political and economic traditions. Long-run economic advantages must be set off against short and medium-run dislocations in both countries. Canada's economic policy would be subordinated to United States necessities. Freedom of action for Canada would disappear. Political independence would be threatened. This is a highly improbable suggestion. A better alternative would be trade agreement on a revocable basis.

J. LOUIS LEVESQUE

has been elected president of La Librairie Beauchemin Ltd., Montreal.

U.S. Firm Buys Mason & Risch

Winter & Co., a leading U. S. manufacturer of pianos, has acquired Mason & Risch Ltd., Toronto, Ont., W. G. Heller, president of Winter, announces.

This brings to four the number of important piano companies brought into the Winter & Co. fold in the last five years. The others include Kranich & Bach, New York; Conover-Cable Piano Co., Oregon, Ill.; Ivers & Pons Piano Co., Cambridge, Mass.; and the Melodigrand Corp., New York. While all these companies are controlled by Winter, each will retain its own identity, its own management and its own particular techniques and attributes, it is stated.

Mason & Risch Ltd., was founded in 1871, achieved international status almost immediately when one of its first pianos was aclaimed by the great Franz Liszt.

With A. J. Mason, president and director and Col. D. H. C. Mason, director, Mason & Risch will continue under the direction of descendents of the founders. George A. Mason has been elected vice-president and will continue in his general management capacity.

Officers of Winter & Co. are W. G. Heller, president; Henry R. Heller Sr., vice-president and treasurer; John Furlong, vice-president; John Gettell, vice-president in charge of field operations; Henry Heller Jr., secretary and Arthur Linter, assistant treasurer.

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The behaviour of financial markets after World War I and World War II are outlined in our March Investment Letter

A copy of this letter is available upon request.

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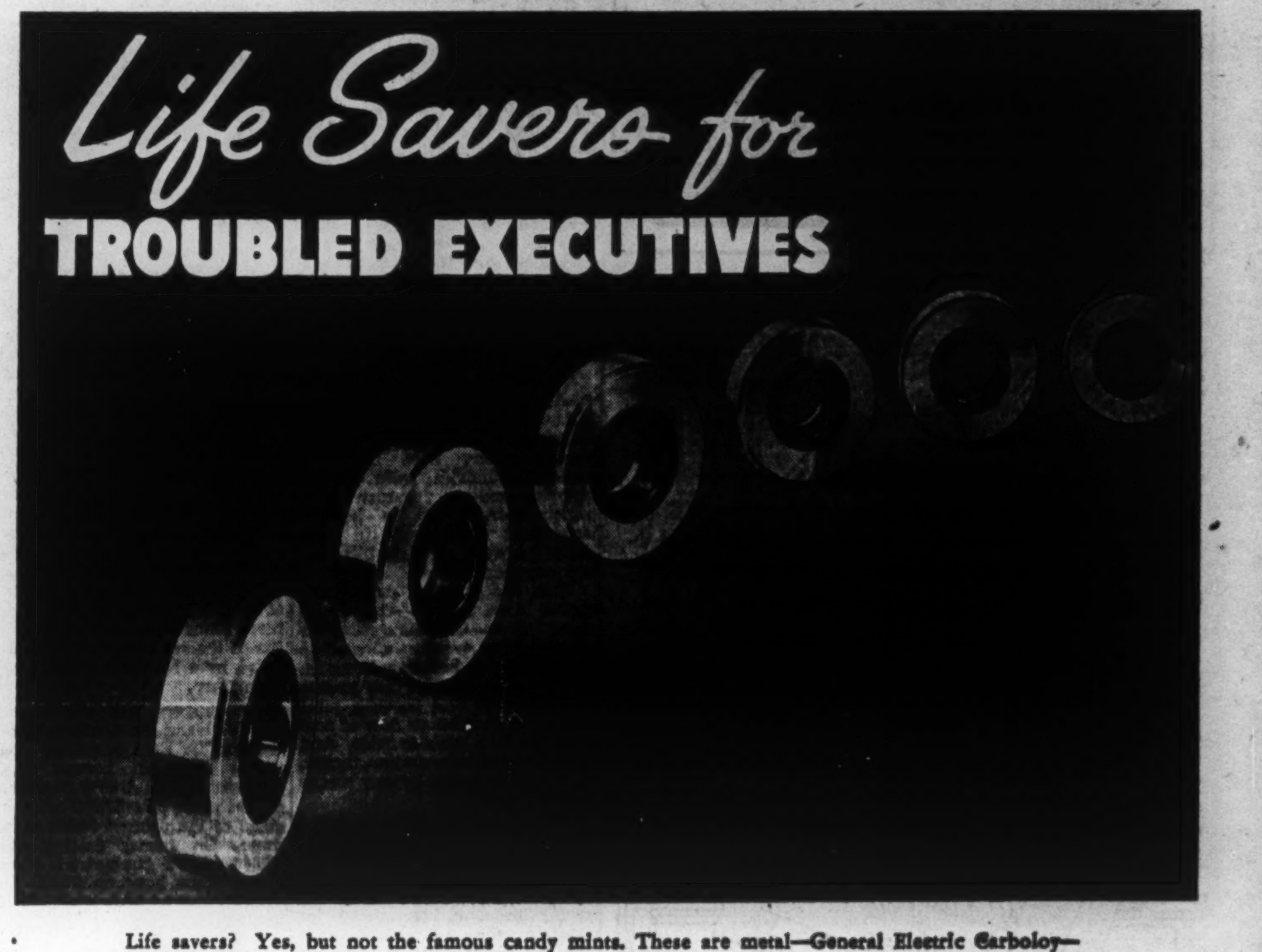

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Prospective Improvements in Financial Statements of Companies

Some Comments Concerning the Presentation and Interpretation of Corporate Financial Statements

The above are features in

THE CANADIAN CHARTERED ACCOUNTANT
Issue of March, 1948

40c per copy $4.00 per year
10 Adelaide Street East
TORONTO 1 ONTARIO

CONSTRUCTION TRENDS

By CLIVE CHATTOE

Army to be Next Big Official Builder; It Plans 10,000 Houses in Five Years

Canadians—and especially prospective recruits to the armed services—in coming weeks and months will hear more about "Operation Married Quarters."

Now, it can be told only in part: Married personnel in Canada's "new army" will have snug little homes of their own. Because of a recent policy decision at defense headquarters, Judy O'Grady's establishment will rival that of the Colonel's lady.

It's Army business and Ottawa so far has been pretty close-mouthed. All the details aren't worked out yet. But already it's clear that (a) the Department of National Defense aims to push its way up among ranking house-building agencies of the Government; (b) a program for 2,500 houses in 1948 may become a 5-year plan for 10,000 costing well over $80 millions, including utility service installations; (c) the official Canadian Commercial Corp., with headquarters in Ottawa will be the managing agency; (d) construction will be by contract rather by Army forces or day labor; and (e) in a number of cases the semi-prefabricated type of house developed by Peerless Housing is to be used.

Headquarters decision to work with general contractors and builders has some importance for business—experimental work a few months ago on the new "married quarters" program was done by Army engineers. Construction circles wouldn't have been surprised to find the whole big program being handled the same way. But Defense chiefs and the Commercial Corp., now apparently think the contract method most efficient and economical in the long run.

One of the first major projects in the new program will be at Edmonton. There, 25 acres of city land immediately south of the huge Namao airport this month was transferred to federal government ownership. On this tract, starting next month, Canadian Commercial Corp. by contract will build 50 houses at about $8,000 each for a total of about $400,000. It will also pay something like $50,000 for installation of trunk and service sewers, water mains, street and walk paving, landscaping and maintenance of all these utility services.

• • •

Windsor Council Vetoes Move for Prefab Houses

Windsor city council last week reversed a recommendation of its own control board and refused to approve 50 factory-precut Halliday homes as part of the first group among 500 houses to be built by the Wartime Housing division of Ottawa's official Central Mortgage & Housing Corp.

Building Inspector K. E. Shaw reporting to council said the homes were structurally similar to others proposed by CMHC but there were some features of which "I don't approve." He didn't say what features or why.

Building trades in Windsor—and in a good many other cities—have opposed erection of such houses. In this case, the parts and materials would be cut, numbered and bundled in a Burlington, Ont. plant, and shipped to Windsor for erection there with a minimum of final cutting and fitting on the building site. The job of assembly thus simplified and streamlined doesn't appeal to local building trade unions who aim to keep as much as possible of the house-building operation localized in Windsor and further localized on the building site.

"Fear Greeks bearing gifts," Alderman Lawrence Deziel remarked. Pressing for rejection of the houses he said there must be some reason beneficial to Central Mortgage behind its wish to "substitute" them. Alderman Archie Munro said "we were promised brick houses with furnaces, but since we signed the agreement something has always seemed to come up."

• • •

Coal for Scarce Steel Will Lewis Stop It?

Midweek indications strengthened hope of a short life for John L. Lewis' U. S. soft coal "vacation" in pressure for pension increase: eased anxiety here in steel, cement, foundries, railways and shipping and other industries on which construction is heavily dependent and which in turn depend heavily on U. S. bituminous supplies.

With the walkout cumulative rather than sudden—this is its third week—Canadian supplies haven't been greatly affected so far. But the building items in shortest supply here are among manufactures and services most reliant on continuous flow of coal from the U. S. eastern fields. And the danger of interruption, though diminishing hasn't by any means disappeared.

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Think Floods May Speed Control Dam Building

Mid-March rains hastened spring breakup, aggravated ice jams in a dozen Central Canada streams, momentarily flooded low parts of many a busy Ontario and Quebec community, with some loss of life and unusually high property damage. It was the annual reminder that one dam on Ontario's rampaging Grand is still three or four dams too few: that on the Thames, Grand, Ganaraska and other "quiet" water-courses the millions being spent in damage each year could be used to better advantage in building control works.

Was there this year more pointed suggestion that the afflicted—insurance, banking and commercial firms, property owners, householders and municipal officials—might count their losses with wisdom, turn now to building breastworks against the certain floods of 1949 and 1950? Many a civil engineer this week thought so; was calling an upturn in regional planning and pointing to flood control as one sterling example of a self-liquidating public work.

• • •

Easy Money to Continue For U. S. Housing Boom

U. S. Congress and administration are reported near agreement on major points of a program designed to keep easy money flowing into housebuilding. Housing money will come mainly from extension through March, 1949, of U. S. National Housing Act's Title VI, the provision that gives liberal insurance for veterans' housing. An additional $2 billions is said likely to be authorized.

Building for rent is to get special encouragement — at least $200 millions is asked for insuring mortgages on two-, three- and four-family dwellings. On low-rent projects — $50 a month or under in large cities, $40 in other areas — builders would get the added incentive of income tax exemption on rental income if opposition in Congress subsides. They also would be allowed to write off half the cost of the projects in five years.

Yield insurance is a new idea proposed for large-scale rental projects. This is a system of encouraging private investment by guaranteeing a return. Guarantees would be 100% against capital loss, plus at least a 2¾% return. Rents on such projects would be fixed to yield around 3½%.

Public housing — rental projects owned and operated by public agencies — gets no special provision under present plans of Congress, drawn by Sen. McCarthy (Rep., Wisconsin). However, Senators Taft (Rep., Ohio), Ellender (Dem., Louisiana) and Wagner (Dem., New York), authors of another housing bill, are expected to propose a public housing provision suggesting up to $200 millions a year in federal loans and up to $100 millions a year in federal grants, both for "slum clearance" projects.

Aid for Private Building

In contrast, the major purpose of the program now taking shape is for continued official encouragement to private building.

New cost limit for Title VI loans is proposed at $8,100 per unit, as against the present $1,500 per room and up to $1,800 in high-cost areas.

Mortgage insurance will continue at 90% of building cost. The VI mortgages will carry 4½% interest, over-all, and can run for 32 years. Appraisals are to be a little less liberal — "value" rather than "necessary current cost" is to be the basic appraisal factor. Rental projects can't be appraised for more than estimated 1947 replacement cost; this, an attempt to keep building costs from going higher.

Other proposed financial aids for ownership include:

A secondary market is suggested for mortgages. There is some opposition. Proposed is a National Home Mortgage Corp. which would buy home mortgages that banks and other lenders wish to sell. This would provide a ready market for lenders who may need cash. It is designed to loosen up the mortgage market, which has been tightening in recent months. Such a new corporation would take over home mortgages held by Reconstruction Finance Co.

Help Prefabs

Prefabricated houses also come in for more assistance. Manufacturers will get credit to carry them from the time the homes begin to be made to the time they are erected on the site. Now, credit ends when homes leave the plant. Advances also can be obtained on prefabricated projects for 25 or more dwellings.

Co-operative housing is down for liberal insurance. Veteran's co-operatives may get insured mortgages for 95% of cost to run for 40 years at 4%. Other groups could get the same terms on 90% of cost. Mortgages insured under these plans also would get benefits of the secondary market provided by a National Home Mortgage Corp.

Homebuyers not eligible for title VI loans can continue to get the familiar FHA mortgage guarantees and can borrow more money on them. A 90% guarantee can be made on a $7,000 home instead of the present $6,000 maximum. On homes costing over $7,000, an 80% guarantee is allowed on sums between $7,000 and $11,000, instead of between $6,000 and $10,000.

These loans can be obtained for existing as well as projected homes, but appraisals are made on a long-term-value basis rather than a cost basis. Terms also are more rigid — 25 years at 5% over-all interested rates.

CANADA STEAMSHIP LINES

1947 net profit was up 75.5% at $708,797. This equals $3.09 a share on the preferred ($1.76) and 45c a share on the common (a deficit of 56c in 1946). Gross revenue was $19,244,582, up $3,547,679. The improvement reflects freedom from major strikes and a moderate increase in rates obtained for the carriage of bulk commodities such as grain, coal, iron ore, etc. Operating expenses, $16,042,850 were up $2,219,294.

Two-passenger steamers were reconditioned and quarters were provided throughout the fleet for additional crew demanded by the three-watch system. Additional freight handling equipment was purchased and wartime shipbuilding buildings and equipment were purchased from the government agency. The fleet now consists of 56 steamers, 47 freight and nine are passenger. Shortages of steel and other material continue to delay construction of new vessels. The company has recently been adjudged responsible for claims arising out of the disaster involving the S.S. Hamonic, but it is still impossible to state to what extent the company's liability is recoverable from underwriters.

A WESTERN BROKERAGE HOUSE

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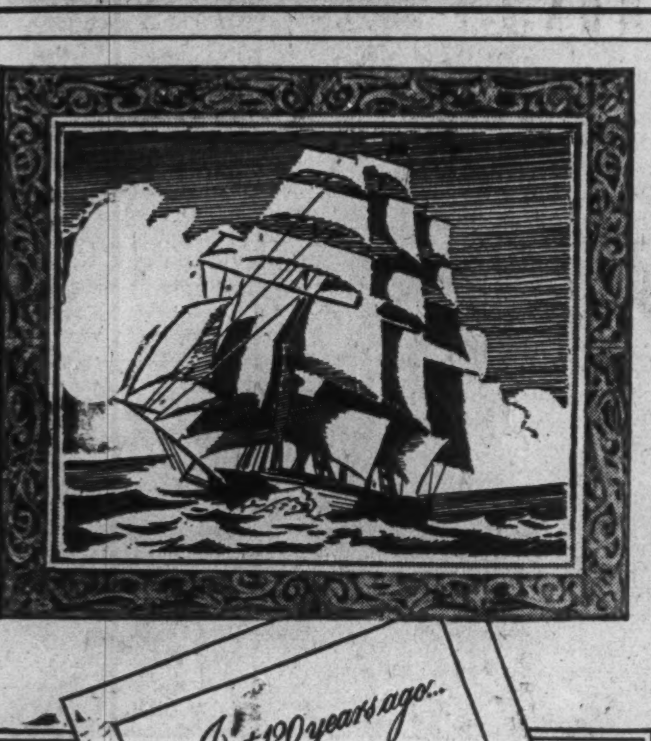

Just 120 years ago...

IN the year 1828, Thomas Foster and George Holgate Foster, founded the firm of Foster Bros., Merchant Exporters and Importers, later to become Knowles and Foster, which was destined to expand and flourish, spanning the seas in search of foreign goods. Since that time and during all the vicissitudes of War and Peace, the firm has continued to serve the interests of Supplier and Consumer.

With its Head Office in England, its own houses in Brazil and with Agents of long standing and integrity in other parts of South America, South Africa, Portugal and the Continent of Europe, it offers to Canadian Manufacturers, wishing to export to those markets, a sound organization, which will relieve Manufacturers of all financial worries inherent to the Export Trade. To Canadian consumers of the product and raw materials of those markets, the same facilities are offered.

Knowles & Foster
417 St. Peter St.
Montreal, Que.

MASSEY-HARRIS COMPANY, LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

**Canada, United States, United Kingdom and South Africa as at 30th November, 1947.
South America and New Zealand as at 31st August, 1947.**

The current assets and liabilities in foreign countries, the currencies of which are at a discount from Canadian dollars, are converted at rates of exchange prevailing at the above dates. Remittances from certain foreign countries are subject to exchange regulations.

ASSETS

CURRENT:		
Cash on hand and in banks		$ 7,422,800.32
Bonds of New Zealand and South American Governments—at cost (approximately market)		867,867.06
Bills and accounts receivable	$ 4,670,455.19	
Less reserves	1,225,960.68	3,444,494.51
(Accrued interest not taken into account)		
Inventories—(as certified by the management—quantities determined by count or from book inventories verified by count during the year and valued at the lower of cost or market)	$42,625,754.24	
Less reserves	6,664,356.76	35,961,397.48
(A net amount of $137,135.73 representing the cash received from South America and New Zealand less cost of shipments thereto between 31st August and 30th November, 1947, has been deducted from the inventories.)		
Insurance deposits and prepaid expenses		569,351.45
		$48,265,910.82
INVESTMENTS:		
Investment in shares of H. V. McKay Massey Harris Pty. Limited and H. V. McKay Massey Harris (Queensland) Pty. Limited	$ 1,795,200.00	
Investment in shares of South African Farm Implement Manufacturers Limited	225,884.45	2,021,084.45
Investments are shown at cost, converted at rates of exchange prevailing at 30th November, 1947.		
FIXED:		
Land, buildings and equipment	$26,981,387.00	
Less reserves for depreciation, including surplus from revaluation of acquired plant	14,176,430.25	12,804,956.75
Fixed Assets are included at cost, except certain fixed assets acquired in 192[illegible]. These latter assets, to which the value of $1 was assigned, were revalued at that time by the management and the surplus of $987,050.18 remaining from this revaluation is included in both the above fixed assets and reserves. Commitments under contracts for construction of buildings in progress $750,000.00.		
NET ASSETS OF SUBSIDIARIES IN CONTINENTAL EUROPE		4.00
PATENTS		1.00
		$63,091,957.02

LIABILITIES

CURRENT:			
Bank advances		$ 508,546.46	
Accounts payable and accrued charges		9,322,746.68	
Reserve for income, sales and other taxes		4,552,847.54	
Quarterly dividend on common shares payable 15th December, 1947		293,434.25	$14,677,574.93
RESERVES:			
For contigencies and exchange		$ 3,496,209.73	
For pensions		1,338,067.86	4,834,277.59
FUNDED INDEBTEDNESS:			
Bonds dated 1st June, 1946, issued by Massey-Harris Company, Limited, payable in Canadian currency—			
3% First mortgage serial bonds, series "A" maturing in annual instalments of $400,000 each on 1st June, 1948 to 1951 inclusive and $350,000 each on 1st June, 1952 to 1956 inclusive	$3,350,000.00		
3% First mortgage sinking fund bonds, series "A" maturing 1st June, 1966	8,250,000.00	$11,600,000.00	
Serial Notes issued by The Massey-Harris Company (subsidiary in the United States) payable in United States currency in equal annual instalments of $500,000 each as follows—			
2% Notes maturing 1st December, 1948 to 1950 inclusive	$1,500,000.00		
3% Notes maturing 1st December, 1951 to 1956 inclusive	3,000,000.00	4,500,000.00	
Sinking fund debenture stock 3½% maturing 15th March, 1972, issued by Massey-Harris Limited (subsidiary in United Kingdom) payable in British currency and guaranteed by the Canadian Company—converted at rate of exchange prevailing at 30th November, 1947		1,608,000.00	17,708,000.00
CAPITAL AND SURPLUS:			
Capital—			
As authorized—			
257,785 Convertible redeemable preference shares of par value of $20 each—redeemable at $30			
2,000,000 Common shares without nominal or par value			
Whereof issued—			
257,785 Convertible redeemable preference shares of $20 each		$ 5,155,700.00	
1,174,322½ Common shares (including 18,681 shares sold during the year for $278,419.53)		9,612,753.37	
Rights to purchase 95,150 common shares have been sold to certain employees of the Company and its subsidiaries. The above issued capital gives effect to the conversion during the year ended 30th November, 1947 of 31,387 preference shares into 47,080½ common shares, on the basis of 1½ for 1.		$14,768,453.37	
Deferred surplus—not available for dividends under British tax regulations		213,060.00	
Surplus resulting from reorganization of capital under the compromise or arrangement confirmed by supplementary letters patent dated 23rd February, 1942		2,206,206.76	
Earned surplus		8,684,384.37	25,872,104.50
			$63,091,957.02

EXTRACTS FROM THE REPORT OF THE DIRECTORS

1947 was the Company's Centennial Year and the year in which it achieved the greatest peacetime sales in its one hundred year history.

SALES—Total sales for the year amounted to $83,834,104.22 or four times the Company's total sales in 1939.

Sales of farm implements and parts amounted to $82,312,736.77 compared with $64,424,545.91 in 1946, an increase of $17,888,190.86. This increase is a source of satisfaction, since it follows a year in which an all time record had been established.

The increased demand for the Company's products was experienced in all agricultural countries and a greater increase in volume would have been achieved but for the continuing difficulties in procuring materials.

PROFITS—The net profit for the year from the Company's world-wide operations, including dividends received from subsidiaries in Continental Europe, the earnings of which have not been consolidated, was $4,084,066.67, after providing $4,140,000.00 for taxes on income in Canada and foreign countries. The greater percentage of this net profit is derived from the increased production of the Company's American and British plants and its sales in countries outside Canada.

The increase in net profit over the previous year was $1,958,496.77, and the net earnings for the year represented 4½c on each sales dollar. After providing for dividends on the outstanding preference shares the earnings amounted to $3.20 per share of common stock.

During the year $220,000.00 was received from the Company's French subsidiary on a pre-war balance which was previously written off, and this sum was credited to Surplus Account.

OUTLOOK—The great demand for agricultural machinery still continues throughout the world and the Company's factories, barring unforeseen circumstances, will be taxed to capacity to provide the largest production ever undertaken. The securing of the necessary materials and component parts to meet production schedules, however, still constitutes one of our greatest problems, but improvement in these conditions is anticipated.

There is also some anxiety because of the inability of some of the large importing countries to provide dollar exchange to implement their orders. This situation, however, would be greatly alleviated if approval were given to the "Marshall Plan" which contemplates substantial requirements of farm machinery for the next few years.

Notwithstanding the uncertainties inherent in the present difficult world situation, we believe that we are justified in looking forward with confidence to another year of record accomplishment.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Canada, United States, United Kingdom and South Africa for the year ended 30th November, 1947
South America and New Zealand for the year ended 31st August, 1947

Net sales		$83,834,104.22
Cost of manufacturing and marketing, not including the charges below		73,937,333.18
		$ 9,896,771.04
Income from investments and profit or loss on sale of capital assets	$ 428,700.42	
Dividends received from subsidiaries in Continental Europe not consolidated herein	96,808.19	525,508.61
		$10,422,279.65
Less: Interest on borrowings	$ 20,897.67	
Interest on funded debt	524,707.09	
Contribution to pension fund	256,500.00	
Reserved for depreciation and amortization	1,396,108.22	2,198,212.98
Net profit before provision for taxes on income		$ 8,224,066.67
Less provision for taxes on income in Canada and foreign countries		4,140,000.00
Net profit for the year		$ 4,084,066.67

The following items were paid during the year—Directors' fees $12,500.00; remuneration to executive officers, including directors holding salaried employment and legal fees $149,644.85.

The above net profit includes approximately $350,000 in certain foreign subsidiaries from which the remittance of dividends is subject to restrictions.

CONSOLIDATED STATEMENT OF EARNED SURPLUS

Balance at credit 30th November, 1946		$ 6,142,645.46
Payment received from subsidiary in Europe on pre-war account previously written off		220,000.00
Net profit for the year ended 30th November, 1947		4,084,066.67
		$10,446,712.13
Dividends paid on preference shares aggregating $1.25 per share, at the rate of 6¼% for the year to 31st August, 1947	$ 334,876.88	
Dividends on common shares—87½c per share paid during the year	1,012,642.01	
Quarterly dividend of 25c per share payable 15th December, 1947	293,434.25	
Bond discount and expenses, including legal fees of $11,673.95	121,374.62	1,762,327.76
Balance at credit 30th November, 1947		$ 8,684,384.37

Massey-Harris Company, Limited • Toronto, Canada

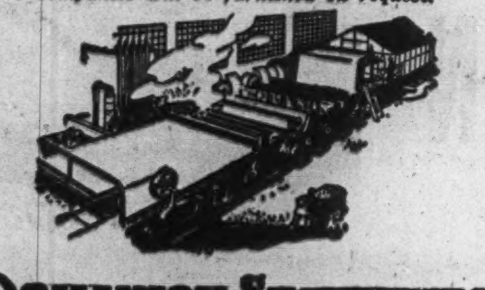
Manufacturers of Agricultural Implements for over 100 years.

Newsprint
FOR U.S. DOLLARS

The Canadian Newsprint industry is the largest single contributor to Canada's U.S. Dollar supply. In the first ten months of 1947, Canada exported to the United States 3,050,081 tons of newsprint which supplied approximately $270 Million of needed U.S. dollars. The Canadian pulp and paper industry is still unable to satisfy the American demand for newsprint and holds a key position in the economic life of the country.

Securities of Canadian pulp and paper companies offer many opportunities to the investor.

"Information on the major pulp and paper companies will be furnished on request."



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MANY an executive "in the upper brackets" is completely dependent upon his salary. A minor accident might not affect his earnings at all—he can take it in his stride; but a serious one could cripple him physically and financially.

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VALUABLE KINGSTON BUSINESS PROPERTY FOR SALE BY TENDER

Sealed tenders will be received by the undersigned up to the eighth day of April, 1948, at noon, for the sale of the property known as the Colonial Coach Lines Garage situated on Queen Street between Montreal and Sydenham Streets in the City of Kingston, upon which there is said to be:—

(a) A single storey brick and steel stone wall building, metal clad frame roof approximately 136′ x 63′ with adjoining wing 53′ x 33½′.

(b) Large open yard containing 2-1000 gallon tanks and pumps.

(c) Two metal clad frame single storey buildings and a single storey single block stucco building adjoining yard.

(d) Two storey cement block stucco building: Ground Floor containing boiler room and coal shed SECOND Floor containing modern office accommodation.

(e) Right of Way from property to Montreal Street.

All the above property is situated in the centre of the best business property in the City of Kingston.

Any details or further information in connection with this property may be obtained from the undersigned.

Highest or any tender will not necessarily be accepted.

Terms: Cash.

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Barrister
38 Clarence Street,
KINGSTON, ONT.
Solicitor for the Owners.

LABOR ROUNDUP

Internal Battles Against Reds Overshadow Union Wage Drives

In the spring a labor union's fancy turns to thoughts of higher wages, shorter hours and union security. But this week, as spring dawned, Communism and internal union politics continued to overshadow wages and working conditions.

Some unions were sticking to their knitting:

The CIO Steelworkers were still trying to reach an agreement with Steel Co. of Canada at Hamilton. The present contract ends April 1. Union and management are about 7½c apart on wages, not too far apart on union security.

Joe McKenzie's CIO Rubberworkers have not been having much success in talks with Ontario manufacturers on a demand for a 22c-an-hour raise. Last week end they took a strike vote at Gutta Percha and were talking about doing the same in other plants unless agreements are reached.

The big CIO Autoworkers whose contracts expire with the Big Three auto makers between now and August, announced a wage program over the week end. The union was deliberately vague about just what it would ask for but putting two-and-two together, it looked like 25c an hour.

• • •

Auto Workers Back On Party Line

But union politics and the fight against Communist domination still held the spotlight:

The Autoworkers, after announcing their wage program, got on the Commie party line by coming out in support of the CIO Mine, Mill and Smelter Workers Red-tinged battle to get the immigration ban on Communists lifted.

One look at this resolution and another condemning "union busting tactics" by Pat Sullivan and lake shipping operators, was enough to confirm the unpleasant fact that the Reds still control a big section of the UAW.

Earlier, UAW annual elections indicated which way the wind was blowing. The anti-communists gained everywhere but in most cases were unable to wrest control from the leftists.

Roy England, party-lining president of the big Ford Local in Windsor was re-elected. The Communist press gloated that his vote was the biggest he'd ever got. What the Reds didn't say was that his anti-Red opponent, Jack Taylor, came closer to defeating England than in any previous election. Only 800 votes separated them compared with thousands last year.

In the other big UAW local, No. 195 Windsor, the anti-Communists increased their mastery over the Reds, who were ousted three years ago.

Elsewhere there was little change. In Toronto's 4,000-member Massey-Harris local, the leftwingers managed to hang on by the skin of their teeth. Last year they won in a walk.

In Oshawa, another big local, the Reds made a determined bid but were licked all down the line. But St. Catharines, Brantford and Chatham saw leftist leadership re-elected.

• • •

Reds on Run In Gold Mines

In the Mine, Mill and Smelter union squabble, the anti-Reds appeared to have got in a damaging punch this week. By a 3-1 vote, the aroused membership of Sudbury Local 241 reinstated Ralph Carlin as their business agent.

Last week, Carlin, a leading anti-Communist, was purged by a Communist-packed meeting for challenging the leadership of International Vice-President Reid Robinson, the central figure in the Government's immigration ban on leftists. (The Financial Post, March 13).

(Carlin is a brother of Bob Carlin, Canadian director of the union and CCF M.P.P. in the Ontario legislature. Both Ralph and his brother Jimmy oppose Brother Robert's "co-operation" with the Communist International leadership.)

Almost 500 members of Local 241 came out to vote Carlin back into office. At the same time they served notice on Robinson and the coterie of U. S. organizers he brought into Northern Ontario with him three months ago, that their days were numbered.

"The next step," said one member, "will be to get rid of Robinson, and the others. This will be done by regular union procedure within the next two weeks."

In a feeble attempt to stem the anti-Red tide, Robinson tried appealing to the aroused miners on grounds of "unity." He admitted that "maybe we made a mistake" (in getting rid of Carlin). The miners gave him his answer by drowning him out with jeers.

Anti-Red targets, all from the U. S., beside Robinson are:

Harlow Wildman, an organizer whose application for an extension of his permit to stay in Canada has been refused.

Henry Horowitz, associate editor of the Union's newspaper which consistently follows the Communist line. He went to Kirkland Lake last November to start "Union News," a Canadian publication as part of an organizing campaign.

Rudy Hanson, another left-wing organizer;

Graham Dolan, international educational director;

George Knott, international representative.

William Kennedy, international representative.

• • •

Lake Ship Dispute Heading For Showdown

The dispute between the lake shipping operators, the Communist-controlled Canadian Seaman's Union and the rival Canadian Lake Seamen's Union, appeared to be heading for a showdown this week.

Pat Sullivan, former boss of the CSU, opened up an office in Toronto and at the same time announced he had signed contracts with all the major operators calling for raises of between $30 and $40 a month and the closed shop.

In retaliation CSU President Harry Davis, and successor to Sullivan, declared "open war" on Canada Steamship Lines and R. Scott Misener's Sarnia & Colonial Steamships. Davis warned that if the three companies persist in going through with the Sullivan deal, a "strike is certain."

Navigation opens April 10 and according to Capt. Misener, his vessels will sail "regardless of what the Canadian Seamen's Union decides to do about it." Before a man will be hired, he will have to swear he is not a Communist.

"I am determined to wipe out Communism although I welcome organized labor," Misener said.

• • •

Police State In P. E. I.?

". . . Only a government which is stupid and absolutely devoid of knowledge of industrial relations would pass such a thing . . ." —CCL President A. R. Mosher.

". . . I never heard of such a retrograde step in my life . . ." —TLC Secretary J. W. Buckley.

". . . The first step of a police state" — P. E. I. Progressive Conservative M. P. D. L. Mathieson.

At midweek it looked as if this type of outraged reaction from virtually all sections of the public might result in the withdrawal of what had induced it: Prince Edward Island's proposed labor bill which would make International and even National unions illegal in the province.

The outcry was so great that there were strong indications this week that the bill would be withdrawn. Loudest of the critics were Progressive Conservative members of the P. E. I. opposition.

If a provincial union couldn't affiliate with the AFL or CCL, protested Opposition Leader Dr. W. J. P. MacMillan, then by the same token, the agricultural federation and the medical association could not theoretically affiliate with parent bodies.

The new legislation is aimed at but 950 of the province's 95,000 population. That's all that belong to trade unions in P. E. I. Supporters of the bill claimed its purpose was to preserve the agricultural welfare of the island, keep out Communism and "individuals such as Adam Borsk" (since resigned as Winnipeg organizer of the Packinghouse Workers) and prevent recurrence of last year's meat packing strike.

• • •

Alberta Tightens Labor Reins

The unmistakable trend toward tighter reins on labor (reflected in the Taft-Hartley Act in the U. S.) was also seen in sweeping amendments to the Alberta Labor Act proposed by the Alberta Social Crediters.

Sponsored by Trade and Industry Minister Gerhart, the bill would impose stiff penalties on unions for illegal strikes; make unions as well as employers sign collective bargaining agreements; ban organizing during working hours without an employer's consent; make it an offence for employees as well as employers to refuse to bargain collectively; provide that every person acting for a union must be a Canadian citizen.

The penalty for an illegal strike would be $50 a day on the union and a maximum of $1 a day for every member taking part. In the event that fines are not paid, checked-off dues shall be turned over to the Government by the employer until the fine is paid.

An important phase of the bill is an enabling provision which would let the Federal Government step in and take over in the event of a strike in what might be termed a national industry like meat packing. The legislation will enable Ottawa to use its own legislation or administer the province's.

• • •

U.S. Bans B. C. Reds For Life

The current immigration ban on Communists travelling between Canada and the United States goes back to last August when three officials of the Red-run British Columbia Woodworkers were turned back at the U. S. border while en route to a union convention in Seattle.

The trio: Ernie Dalskog, Bert Melsness and John McCuish. The LPP took up the hue and cry and focused so much attention on the incident that Washington and Ottawa began to prick up their ears. The result: all Commies are now barred.

But three weeks ago, the Reds thought they had reason to start cheering. Dalskog, Melsness and McCuish won an appeal against the ban from the U. S. Board of Immigration. "A complete victory" crowed the Communist press.

This week the Commies were forced to change their tune. U. S. Attorney-General Tom Clark went over the Board's head and excluded the Woodworkers' trio from the U. S. for life. Never before had a similar ban been raised against Canadian labor men.

• • •

14 Strikers Fined $875 in Alberta

Tom McCloy, United Mine Workers organizer, was one of 14 fined in Edmonton last week for offences arising out of a picket-line melee near the Star-Key coal mine, north of Edmonton.

In fining accused a total of $875, Magistrate Haw said: "There are certain things that unions cannot do. Strong-arm methods run afoul of the law and we don't want those kind of tactics around here."

• • •

Kodak Employees Get Profit Cut

Last week, 1,280 employees of the Canadian Kodak Co. got their slice of the profits of their firm — $225,000. Last year they collected $153,000.

Since the wage dividend scheme was established in 1912 by founder George Eastman to make Kodak "a leader . . . not a follower" in industrial relations, Canadian Kodak employees have pocketed roughly $3 millions; for the whole world-wide Kodak organization: $89 millions.

The employees' cut is based on dividends declared in the preceding year on the common stock of the parent company, Eastman Kodak Co., Rochester, and is figured on individual earnings over a five-year period.

The formula provides that for each 20c by which dividends declared on common stock exceeds 70c employees shall get half of 1%. Last year, after splitting its common five for one, the $1.60 was declared. Thus the employees got 2¼%.

• • •

Employers, Employees Still Using NES

Employers and workers appear to be continuing to use the facilities of National Employment Service almost to the same extent as they did during the war when it was compulsory.

Last year 769,849 jobs were filled through NES compared with 859,412 in 1946. Of the 1947 placements, 187,244 were for veterans.

Briefly, here's NES 1947 record:

Moved 2,600 unemployed from depressed areas to jobs in Eastern Canada.

Cut by 10,000 the number of unemployed in the "over 45" group.

Transferred 20,000 seasonal farm workers in 12 separate movements.

Organized a campaign to find summer jobs for 40,000 university students (30,000 found).

Placed 41,000 in specific jobs outside the local employment office in which they were registered.

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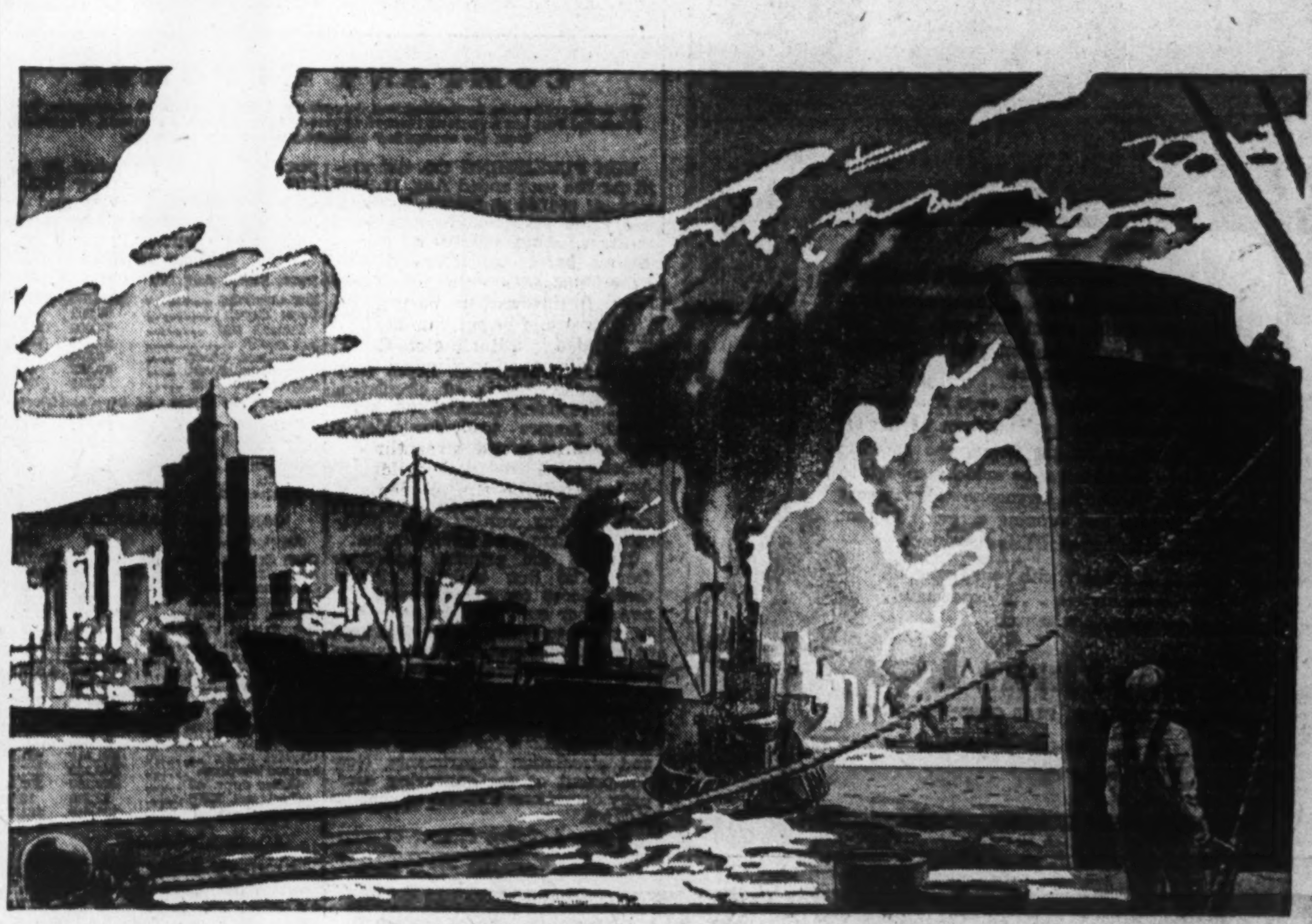


GROWING
with Canada's commerce

On rivers, lakes and oceans pass the ships of commerce of a great and growing country. That commerce is the life-blood of Canada. Without her water communications, Canada would be far removed indeed from her present development.

Marine Industries Limited contributes in many ways to the maintenance and development of the nation's commerce. From our shipyards at Sorel come ships of all descriptions — from tugs to ocean freighters — which help keep Canadian commerce moving. At Sorel are the repair facilities essential to the maintenance of good shipping. Here too is based the dredging fleet of Marine Industries which creates new port facilities in many parts of Canada, opens up new waterways to navigation and keeps existing facilities in efficient operation.

Growing with Canada's commerce, Marine Industries Limited is equipped to build ships of any type up to 10,000 tons, has the facilities adapted to every kind of ship repair work, and the experience and equipment to undertake dredging projects of every description anywhere.

MARINE INDUSTRIES LIMITED
MONTREAL SOREL VANCOUVER

MR. C. F. T. HOOPER

has been appointed Vice-President and General Manager of the Canadian Subsidiary Companies of International Metal Industries, Limited, namely, Canadian John Wood Manufacturing Company, Limited, Canadian John Wood Vancouver Limited, Service Station Equipment Company Limited, Fess Oil Burners of Canada, Limited and Hostess Corporation Limited, operating plants at Toronto, Montreal, Winnipeg and Vancouver.

Mr. Hooper was formerly Vice-President and Plant Manager at Toronto of these Companies.

NEWFOUNDLAND NEWSLETTER

Reconstruction Program Puts Newfoundland in Red

Special Correspondent

ST. JOHN'S—The Island, as predicted by Finance Commissioner R. L. M. James 11 months ago, now faces the virtual certainty of a deficit of $1.5 millions to $2 millions—its first in several years—for the current fiscal year.

Both revenues and expenditures will be at new peaks, according to figures just issued, showing them at $36.65 millions and $37.14 millions respectively, for 11 months of the year.

The deficit will be due to reconstruction expenditures of $10 millions, including purchase of new steamships for the Newfoundland Railway coastal services, and other items. Most of this extra expenditure was met out of ordinary revenue, and the deficit will probably be paid out of surplus account.

All revenue sources showed increased returns, the majority exceeding the year's estimates in 11 months. The Customs Department, largest revenue producer, collected $21.5 millions in 11 months, against an estimated $19.5 millions for the full year. The Assessor of Taxes collected $10.5 millions and the Department of Posts and Telegraphs $1.5 millions, against a budget of $1.7 millions. The Department of Natural Rescources budgeted for $488,200 and in 11 months has collected $649,670.

In 11 months, Island residents have paid almost $172 per capita in taxes; and a demand is now arising for tariff reductions, or some other form of tax relief. As further reconstruction plans are pending, however, it is doubtful if this will be granted.

In view of the pending referendum in May, the Government may submit only an interim budget for the next fiscal year, leaving the way clear for whatever administration is chosen by the vote, to draw up its own budget later.

• • •

U. S. Air Bases A Major Industry

U. S. Air Bases here paid wages of $6.5 millions to 3,000 Newfoundlanders. This makes the bases this country's fourth largest "industry," ranking just behind mineral production with a value of $9 millions.

The $6.5 million figure does not include wages paid to local workers employed on the U. S. Navy and Coast Guard Base at Argentia, nor domestics employed on any of the Bases. Neither does it include wages paid to persons other than Newfoundlanders working on the bases, nor any other expenditures made in this country by the U. S. Government. These last two items run into millions of dollars annually; expenditures of U. S. soldiers stationed here, alone exceed $1 million.

Total amount of U. S. money spent in this country is close to $10 millions.

Air Base employment is also of benefit to Canada.

This country's banking and financial institutions are all tied to the Canadian dollar, and U. S. money spent here eventually finds its way to Ottawa, either directly, as in the case of wages paid to Newfoundlanders (which are changed into Canadian dollars at the Royal Bank of Canada here before being paid out); or indirectly, as in the case of money spent locally by soldiers or other purchasing. These dollars all do their small part in helping to level off Canada's U. S.-dollar deficit.

WALTER S. TOMENSON

has 'been elected president of the Toronto Insurance Conference.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SUN PUBLISHING CO. net profit for the year ended Aug. 31, 1947 was off $54,084 at $94,711. Revenue was again restricted by newsprint shortage, about $600,000 of advertitsing being omitted, and this with rising costs accounts for the profit decrease, it is stated.

Additional newsprint was contracted for with Pacific Mills Ltd. shortly after the year-end, with deliveries starting in Sept., 1947. The great volume of circulation and advertising demand which resulted augurs well for 1947-48 operation, it is said.

Daily net paid circulation for Aug. 1947 was 131,508 (122,414 for Aug. 1946). The new printing division building, costing about $400,000, was completed in September.

Moving the printing operation from The Sun building cleared three floors for expansion of the newspaper and affiliated businesses, with renovation costs estimated at $70,000. Larger, highly modernized premises are being provided in the vacated floors for Vancouver Engravers Ltd. and Sun Directories Ltd., with subsequent expansion and renovations for the advertising and circulation departments. New equipment of the engraving company operations will run to another $100,000.

A new building at rear of company's building, estimated to cost $100,000, will house a new $300,000 Goss press due in 1949 and the newer of the present two presses and a new comic-magazine press.

INCOME ACCOUNT

Years Ended Aug. 31:	1947	1946
Net earnings	$246,662	$331,565
Less: Depr.	77,951	67,770
Income tax	74,000	115,000
Net profit	94,711	148,795
Less: Pref. divds.	6,750	9,000
Common divds.	80,617	60,463
Surplus for year	7,344	79,332
Earnings per Share and Dividend Record:		
Preferred	$63.14	$99.20
4½% paid	4.50	....
6% paid†	....	6.00
Common	1.31	2.08
Paid	1.20	0.90

†Redeemed July 1, 1946.

CONDENSED BALANCE SHEET

As at Aug. 31:	1947	1946
Cash & mkt. secs.	$23,555	$127,955
Accts. rec.	422,198	324,763
Life ins., c.s.v.	7,761	6,420
Inventories	124,707	114,665
Total curr. assets	578,221	573,803
Inv. & adv. subs.	451,682	308,557
Misc. assets▲	144,398	253,310
Fixed assets*	586,965	522,456
Total assets	1,761,266	1,658,126
Bank loan	89,315	......
Accts., tax, etc., pay.	250,458	242,451
Total curr. liabs.	339,773	242,451
Due subsids.	29,403	30,929
Def. credit	25,000	25,000
Capital stock	821,810	821,810
Earned surplus▲	545,280	537,936
*After depr. of	429,198	362,164
▲Incl. ref. EPT	12,230	12,230
Working capital	238,448	331,352

GORDON & BELYEA LTD., Vancouver, net profit for the year ended Nov. 30, 1947, was up 37.9%. Materials of most company lines are getting into better supply, and officials look forward with confidence to a good volume of sales this year, President J. F. Belyea states. Working capital shows an increase of $80,442.

INCOME ACCOUNT

Years Ended Nov. 30:	1947	1946
Oper. profit	$367,575	$308,595
Less: Deprec.	9,065	7,502
Income tax♦	171,000	173,000
Add: Other inc.	10,434	12,188
Invest. sale	......	1,935
Auto. sale	348	1,575
Net profit	198,292	143,791
Less: Pref. divds.	5,655	5,945
Pref. s. f.	5,000	5,000
Com. divds.	29,812	29,812
Surplus for year	157,825	103,034
♦Incl. ref. EPT	......	1,900
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$215.77	$148.85
Incl. ref. EPT	215.77	150.82
Paid	6.00	6.00
Class A & Class B:		
Excl. ref. EPT	15.73	11.14
Incl. ref. EPT	15.73	11.30
Class A: Paid	2.50	2.50
Class B: Paid	2.50	0.62½
Class B (old): Paid.	....	1.87½

CONDENSED BALANCE SHEET

As at Nov. 30:	1947	1946
Cash	$61,033	$33,964
Accts. rec.	510,226	303,445
Inventories	1,066,489	758,087
Total curr. assets	1,637,748	1,095,496
Misc assets†	169,024	195,189
Fixed assets*	208,249	188,740
Total assets	2,015,021	1,479,425
Bank loans	482,001	63,300
Accts., taxes pay.	402,213	453,936
Total curr. liab.	884,214	517,236
Def. bk. ln.	60,750	......
Pref. sh. sink. fund	159,629	154,885
Capital stock	330,400	335,100
Surplus♦	580,028	472,204
*After depr. of	110,154	102,641
♦Incl. ref. EPT	165,000	165,000
†Incl. ref. EPT	141,584	165,000
Working capital	753,534	578,260

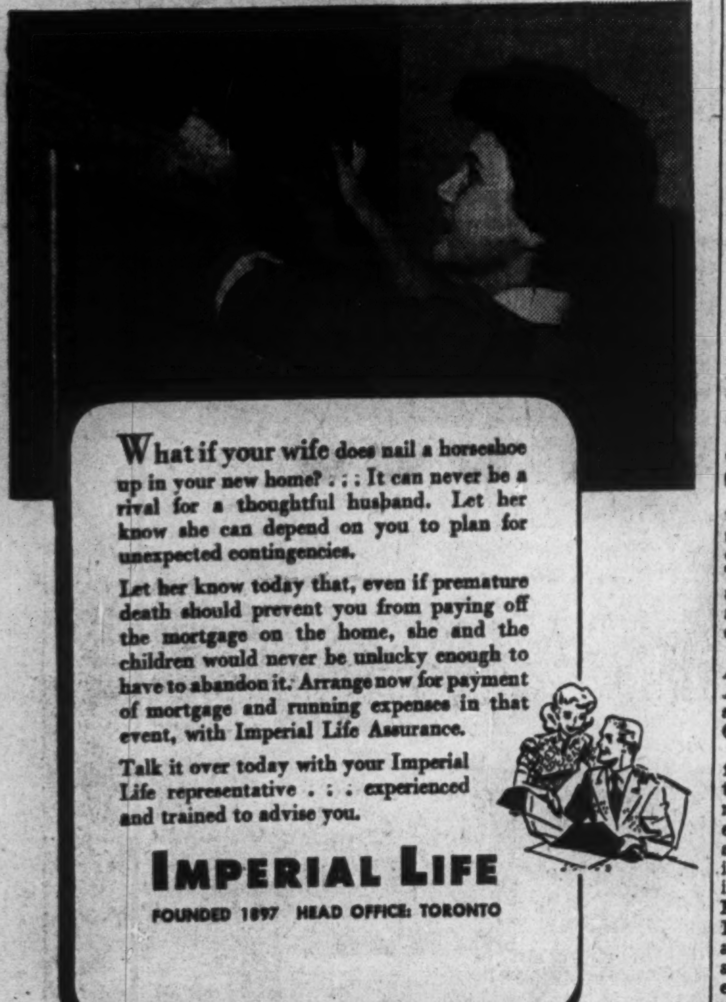
CCF Govt. Winds Up Sask. Housing Corp.

From Our Own Correspondent

REGINA — Saskatchewan's Reconstruction Housing Corp. has been wound up. Activities of the provincial Crown company have been transferred to the reconstruction department, with major functions completed. It has made available over 550 housing units in cities, towns and villages.

The corporation was set up in 1945 to provide housing facilities for veterans and their families. It had a deficit account of $42,400 at March 31, 1947, of which $35,180 was a loss incurred in the fiscal year 1946-7, and $7,220 up to April 1, 1946.

The balance sheet at March 31, 1947, showed current assets of $42,377 with current liabilities of $29,120. The corporation owned depreciated fixed assets worth $579,532 and had received advances from the provincial treasury totalling $508,500.



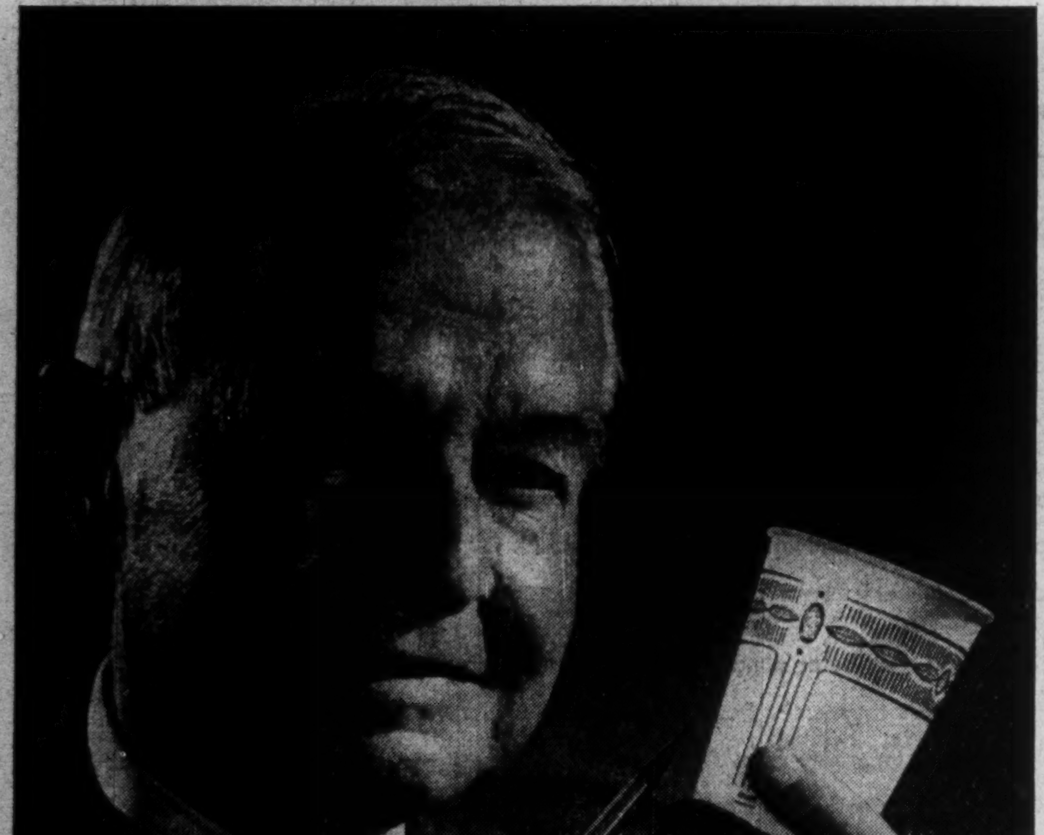
The surest way to have 'luck' ...is to plan for it

What if your wife does nail a horseshoe up in your new home? . : : It can never be a rival for a thoughtful husband. Let her know she can depend on you to plan for unexpected contingencies.

Let her know today that, even if premature death should prevent you from paying off the mortgage on the home, she and the children would never be unlucky enough to have to abandon it. Arrange now for payment of mortgage and running expenses in that event, with Imperial Life Assurance.

Talk it over today with your Imperial Life representative . : : experienced and trained to advise you.

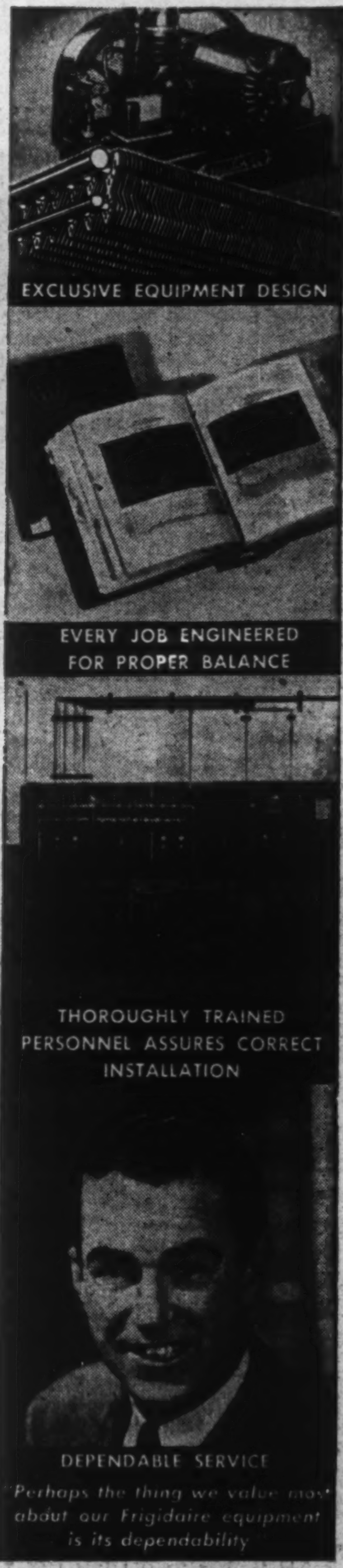
IMPERIAL LIFE
FOUNDED 1897 HEAD OFFICE: TORONTO



"It's good business to protect our employees with DIXIE CUPS and VORTEX CUPS"

Absenteeism and inefficient work are largely the result of colds and other infections caused by contact with germ-laden objects. So to protect their employees and at the same time help themselves, thousands of business men now make sure that germ-free individual Dixie Cups and Vortex Cups are used at all water coolers and eating places.

DIXIE CUP COMPANY (CANADA) LTD., 100 STERLING ROAD, TORONTO, ONTARIO


EXCLUSIVE EQUIPMENT DESIGN
EVERY JOB ENGINEERED FOR PROPER BALANCE
THOROUGHLY TRAINED PERSONNEL ASSURES CORRECT INSTALLATION
DEPENDABLE SERVICE
Perhaps the thing we value most about our Frigidaire equipment is its dependability

Over 9 million users know
FRIGIDAIRE
is your assurance of
REFRIGERATION SECURITY

• Take no chances with inadequate, money-wasting refrigeration. Look for these three essentials: correct refrigeration results, low operating costs, and low upkeep expense.

You get all three with a Frigidaire installation. For Frigidaire, with over 25 years of refrigeration experience, offers "matched operation" of compressor, cooling unit, and controls. All elements of a Frigidaire installation are designed to work together . . . to give you *all* the benefits and economies that only skilful engineering can assure.

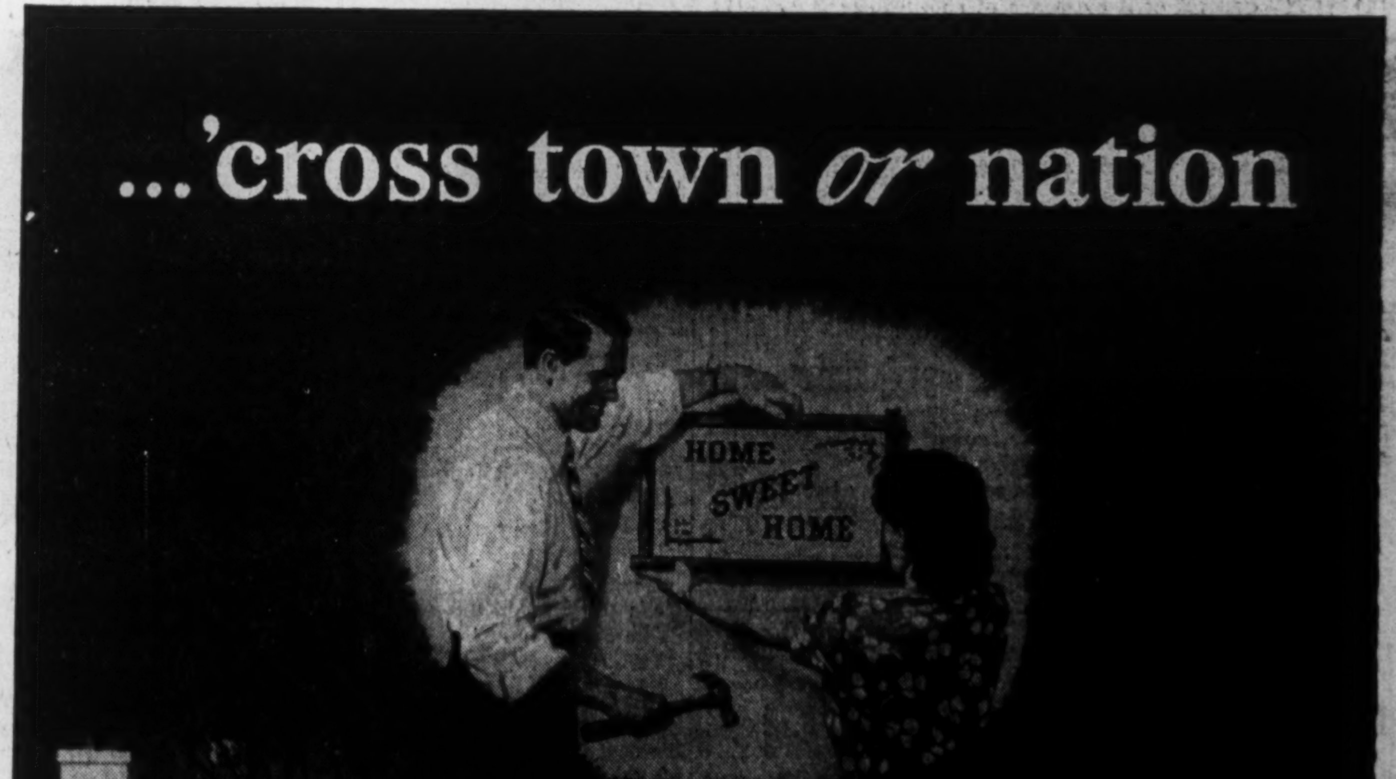
Get in touch with your Frigidaire dealer now. He is trained to give you expert advice and service. Look for his name in your Classified Telephone Directory under "Refrigeration Equipment". Or write Frigidaire Products of Canada, Limited, Dept. FP, Leaside, Ontario.

FRIGIDAIRE-ENGINEERED EQUIPMENT FOR BUSINESS AND INDUSTRY

Covers a wide range of engineered installations for commercial or industrial applications for processing, storage or comfort.

Equipment is available right now for practically every normal commercial application

You're twice as sure with two great names
FRIGIDAIRE MADE ONLY BY GENERAL MOTORS



The 150 experienced and properly licensed household goods carrier members of the Canadian Warehousemen's Association employ about 3,000 persons and did approximately 4 million dollars worth of moving and storage business last year, based on 1945 performance. With offices and agents throughout Canada, the prime objective of the C.W.A. is to develop the highest possible standards of efficiency and ethics in the storage and cartage business to the point where the licensed carriers become the "bankers of your personal household effects."

"MOVING DAY" is not the wearisome week it was. Today, moving . . . 'cross town or nation . . . is as simple as giving your old and new address over the telephone to a modern household goods carrier. Every detail of packing, moving, and unpacking in the new location may be left to trained and bonded experts.

Vastly improved standards have been achieved by the moving industry since one of the first White Trucks became the first motorized moving van. And in the years since, White has pioneered advances which have made long distance moving by truck practicable. It is another field in which White Super Power is the choice of the leaders . . . because correctly selected for the work they do, properly maintained and skilfully manned, Super Power Whites provide the utmost in dependability at lowest cost. The same applies to every truck-using business, as your White Representative will gladly explain.

White

THE WHITE MOTOR COMPANY OF CANADA LIMITED
Factory at Montreal
Branches: Montreal • Toronto • Hamilton • Winnipeg
Calgary • Vancouver
Sales & Service Centres in principal cities

FOR MORE THAN 45 YEARS THE GREATEST NAME IN TRUCKS

Terms of Pete Imperial Deal

Imperial Oil Ltd. last week gave further concrete expression of its confidence in Western Canada's oil potentialities when it announced that it was preparing to sell its holdings of about 60% of the common stock of International Petroleum Co. and to use the estimated $80 millions proceeds for its exploration and development program in Canada.

Imperial Oil shareholders will be asked to approve the deal at this year's annual meeting. The plan is:

Imperial Oil shareholders will be offered, some time later in 1948, its International Petroleum common shares on a pro rata basis at $9.20 a share U. S. funds. The Financial Post estimates that this will be on the basis of about one share of International Petroleum for each three shares of Imperial held. (There are 26,965,078 shares of Imperial outstanding and it will own, on conversion of its 200,000 shares of International preferred, 8,728,190 shares out of International Petroleum's then outstanding 14,524,088 common shares.)

Standard Oil Co. (New Jersey) which owns about 70% of Imperial's outstanding shares, has indicated that it proposes to purchase its share of International's shares. This would provide Imperial some $56 millions U. S., The Post estimates—an important factor considering Imperial's program will involve a substantial U. S. dollar expenditure for materials.

Standard also intends to offer the other shareholders of International the option of exchanging their shares for shares of Standard on the basis of three Standard for 20 International.

Both offers are subject to completion of various legal requirements both in Canada and in the United States, including registration with U. S. Securities & Exchange Commission and clearance with the Canadian Foreign Exchange Control Board.

Imperial Oil will be assured of a continuing source of crude oil for its eastern Canadian requirements over a period of years through supply contract with Standard, it is stated.

Following is the statement made by Henry H. Hewetson, president of Imperial Oil Ltd.:

"The Canadian public and the shareholders of Imperial Oil Ltd. have been kept informed of the progress of the company's exploration and producing program in Western Canada. Developments in this connection have now reached the stage where the company is confident that this enterprise will be of major importance to Canada and to the shareholders of Imperial Oil Ltd.

"In view of these developments, it is apparent that Imperial will require large sums of additional funds in order to continue agressively in its oil finding efforts in western Canada, to produce oil from established reserves, to provide adequate refining facilities and to provide economical transportation for crude oil and products to their markets.

"In order to provide the substantial amounts of additional funds required for these purposes, Imperial now intends, subject to action to be taken at its annual meeting of shareholders, to sell its holdings of common stock in International Petroleum Co., through an offering to be made on a pro rata basis to Imperial's shareholders sometime later in 1948. The offering price will be $9.20 per share United States funds. When the formal offering is made, it will contain an announcement as to the manner in which shareholders resident in Canada may apply to their banks for the necessary United States funds for the purpose of making their subscriptions.

Opportunity To Purchase

"Standard Oil Co. (New Jersey), which is the owner of approximately 70% of Imperial's outstanding stock, has indicated that, subject to the completion of various legal requirements both in Canada and in the United States, it is prepared to purchase its pro rata portion of International shares if so offered. Under the contemplated offering, all Imperial shareholders will also have the opportunity of purchasing, subject to allotment, additional International shares out of any not taken up on the pro rata basis. To enable Imperial to offer one class of International stock it will be neccessary for International to convert 200,000 outstanding preference shares, all of which are now owned by Imperial, into a like number of common shares.

"The preliminary arrangements between Imperial and Standard also include provision for a crude oil supply contract to assure Imperial of a continuing source of crude oil for its eastern Canadian requirements over a period of years.

"So far as International is concerned, the only change is from indirect to direct affiliation with Standard Oil Co. (New Jersey) and accordingly it will continue to enjoy the various advantages of affiliation with that company whose sound management is recognized throught the industry.

"Imperial has been advised that in addition Standard Oil Co. intends to make an offering to other stockholders of International, to exchange their International shares for shares of Standard, on the basis of three shares of Standard for each 20 shares of International. This offer by Standard will be made only after completion of the necessary registration with the United States Securities & Exchange Commission and other legal arrangements, and will remain open for a specified period.

"Other details of the program will be announced after the necessary arrangements and legal requirements have been completed. In view of the length of time required to complete them, it has been considered advisable to make this preliminary announcement at this time."

B. C. Telephone $2 Million Issue Privately Placed

MONTREAL (Staff) — A $2 million bond issue of British Columbia Telephone Co. has been placed privately by W. C. Pitfield & Co., The Financial Post is informed. The issue consisted of 3¾% first mortgage bonds series "C" due March 1, 1971. It is stated that the funds will be applied to the company's expansion program, involving expenditures of $35 millions — part already made and the balance to continue over the next few years.

Brown Pfd. Holders to Get New Plan?

MONTREAL (Staff) — Preferred shareholders of Brown Co. are wondering what type of capital reorganization plan may be presented following reports that the company's annual report will be sent out shortly to be followed by a plan of capital reorganization. Early this year Brown Co. President F. G. Coburn stated that estimated consolidated net profits for the year ended Nov. 30, 1947, would be approximately $2.8 millions.

After running newspaper advertisements in November last year and in January this year calling for dividend payments and payment on arrears, the "determined group of shareholders" has made no further move. According to arguments advanced by the group at that time, preferred shareholders believe that earnings of the company are sufficient to warrant dividend payments.

Based on President Coburn's letter to shareholders of Jan. 14, preferred shareholders may have one or two strong arguments to advance come time to discuss a capital reorganization. In his letter Mr. Coburn stated that the Berlin, N.H., pulp mill and towel paper machine had to be completed and paid for before a recapitalizing plan calling for payment of dividends could be contemplated.

At Nov. 1, Mr. Coburn said that the company owed a balance of approximately $2.9 millions to complete the Berlin pulp mill and paper machines. To finance these the company had $2.4 millions on hand leaving a balance of $489,000 to be provided from earnings. If profits have continued since Nov. 1 at the same rate as those earned last year ($2.8 millions for 12 months) it would indicate a monthly average of around $230,000, or $920,000 for the four months ending March 31. Thus, it is pointed out, it would appear that the $489,000 debt has already been met provided there has been no drastic reduction in net profits. If such is the case observers point out that at least one obstacle in the path of a reorganization has been cleared away.

Actually Brown Co. has put through its $20 millions rehabilitation started in 1943 and to be completed by the middle of this year with an increase of only $6.2 millions in its funded debt. This program included expenditures of $9.3 millions for new equipment at Berlin and $3.3 millions at La Tuque not including a new recovery furnace. In addition there was a large volume of work on deferred maintenance, repairs and minor replacements. At the same time, however, Mr. Coburn stated that up to Nov. 1, 1947, an amount of $3 millions had been added to working capital.

On the asset side Brown Co. has sold its Bersimis timber properties for $2.9 millions, of which $554,000 will probably be used to finance the cost of the remaining scheduled improvements at La Tuque, Mr. Coburn indicated. The company still retains its interest in St. Maurice Power Co. Thus on balance it appears that the company has between $15 and $20 millions of new plant and equipment paid for largely out of earnings and depreciation charges with little or no impairment in its asset position. Against this is the $6.2 millions of funded debt which however, is partially offset by the increase in working capital.

Observers here believe that this general improvement in the company's position now makes it possible for the capital re-organization plans to be put forward.

COMPANY REPORTS

CELTIC KNITTING CO. 1947 net profit was up 78.3%. Purchases of new machines and equipment to the value of $56,257 were made during the year. These machines are expected to be in full operation during 1948 and will improve the quality and styling of the company's products, President E. D. Gordon states.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$112,364	$69,763
Less: Deprec.	15,831	10,364
Income tax res.	42,854	29,304
Net profit	53,679	30,095
Less: Divds.	22,950	5,400
Surplus for year	30,729	24,695
Earnings per Share and Dividend Record:		
Com.:		
Earned	$1.99	$1.12
Paid	0.50+0.35	0.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$17,629	$12,406
Accts. rec.	62,328	48,133
Inventories	206,452	181,444
Total curr. assets	286,409	241,983
Investments†	49,600	69,600
Misc. assets▲	23,378	21,753
Fixed assets*	122,341	81,914
Total assets	481,728	415,250
Bank loans	50,000	62,000
Accts. & tax. pay.	91,703	58,373
Dividend pay.	13,500	......
Total curr. liab.	155,203	120,373
Capital stock	193,500	193,500
Earned surplus▲	133,025	101,377
*After depr. of	205,268	189,437
†Market value	51,850	72,300
▲Incl. ref. EPT	21,103	21,103
Working capital	131,206	121,610

Wheat Board Deficits Boost Estimates by $31.5 Millions

OTTAWA (Staff)—The Government last week tacked on a cool $80 millions to its present year estimates (1947-48). Chief items making up the total include:

$31.5 millions to provide for Canadian Wheat Board deficit.

$15.9 millions for the CNR 1947 deficit.

$10.6 millions for subsidies on seed grains including freight assistance.

$5.8 millions for additional payments to veterans and dependants.

$5 millions for additional government contributions to the Unemployment Insurance Fund.

Total government estimates of expenditures for 1947-48 as now tabled in Parliament, are $2,195 millions. Actual expenditure, will not be known until the budget is tabled in the House, probably in April.

On the strength of known costs as reported in Treasury statements for the first 10 months of the year, it seems unlikely that outlay for the year (exclusive of loans and advances) will exceed $2.1 billions, the amount forecast in the 1947 budget speech. Two important departments (Defense and Reconstruction and Supply) are to date considerably below their estimated expenditure. In 10 months, Defense had spent only $130 millions against 12-month estimates of $244 millions. R&S had spent only $47 millions against a budgeted $114 millions.

Unpleasant Surprises

But the new estimates tabled last week contain a few shocks for taxpayers. Wartime deficits on wheat, barley, oats, flax, sunflower seed, etc., go back as far as 1943, and are to reimburse the Wheat Board for stationary subsidy policies instituted over a considerable number of years.

Other important items in the new estimates are:

$100,000 for Yukon coal development.

$175,000 extra to promote tourist travel in Canada.

$2 millions more for World War I pensions (the previous estimate was $37.6 millions).

$1.6 millions for war veterans' allowances, world war I.

$1.4 millions as net amount to cover loss on Trans-Canada Airlines in 1947. Estimated deficit is placed at $1.8 millions against which there is accumulated surplus of $255,000 and a profit on the Atlantic operation of $136,000.

$344,000 the cost of issuing radio licenses—an expense now borne by the Government and not the CBC.

$2,050,000 additional freight assistance on western feed grains.

$2,000,000 subsidy on wheat used as feed for livestock.

Relaxing Lien On Pool Sites

WINNIPEG — Manitoba is releasing part of its lien rights on assets of Manitoba Pool Elevators Ltd., to enable the Pool to finance a recent purchase of a line of elevators and a terminal at Fort William from Reliance Grain Co.

In the financial crash of the western pools in 1930 and 1931, the western provinces guaranteed the chartered banks for advances made. Manitoba waived $2,732,562, charged it to the taxpayers and took security by way of Crown lien on assets of the pool for a balance of about $2.1 millions. The lien was an encumbrance of all assets of Manitoba Pool Elevators then owned which might be acquired in future.

The Manitoba Pool Elevators has reduced the debt to about $250,000. Last December it bought from Reliance Grain Co. its terminal and the country elevators it owned in Manitoba.

Normally the lien would cover this newly acquired property, but the province proposes to release its claim on it.

These shares having been sold, this advertisement appears for purposes of record only.

$275,000

R. M. BALLANTYNE COMPANY LIMITED

(Incorporated under the laws of the Province of Ontario)

5% Cumulative Redeemable Preference Shares
PAR VALUE $50.00

The preferred shares are entitled to fixed cumulative preferential dividends (cumulative from January 1st, 1948) at the rate of $2.50 per share per annum payable half-yearly; non-voting unless four half-yearly dividends are in arrears, in which case holders of such shares shall be entitled to one vote for each share held; entitled in liquidation first to receive unpaid cumulative dividends and thereafter the full amount paid up upon each share in priority to the common shares in the distribution; AND in case of voluntary liquidation to receive a premium of 5% of the capital paid up thereon in priority to the common shares. The preferred shares may be redeemed in whole or in part upon 30 days' notice and upon payment of the cumulative dividend up to the date of such redemption and 105% of the capital paid up thereon.

Transfer Agent and Registrar:
THE CANADA TRUST COMPANY, Toronto

CAPITALIZATION

	Authorized	Issued
Preference Shares, Cumulative Redeemable, par value $50.00 per share	$500,000	$275,000
Common Shares (no par value)	100,000 shares	50,000 shares

We offer as principals these 5% Cumulative Redeemable Preferred Shares subject to prior sale and change in prices if, as and when issued and accepted by us and subject to the approval of all legal details by Messrs. Harrison and Elwood, London. The right is reserved to reject any application or to allot a smaller number of shares applied for.

PRICE: $50.00 per share to yield 5%

With Bonus of one common share with each two preferred shares.

ISARD, ROBERTSON & CO. LIMITED

Huron & Erie Bldg.
LONDON, ONTARIO

Cooler Water Ahead

The supplying of clear, cool drinking water calls for serious thought. Your choice of water-cooling equipment should be made only after thorough investigation and tests.

Not everyone has research and testing facilities—but you can get the story of dependable, low-cost water cooling from the folder "COLD FACTS ON COOL WATER."

This informative folder describes the 5-year factory-user replacement warranty with exclusive CORDLEY features on hermetic models . . . pressure and bottle-type water coolers made by CORDLEY, who have specialized in quality drinking water equipment since 1889. Write now for your FREE copy of "COLD FACTS ON COOL WATER" to:

Cassidy's Limited
51 St. Paul St. W., Montreal
Crane Limited
1170 Beaver Hall Sq., Montreal
Northern Electric Company Limited
1620 Notre Dame W., Montreal

Cordley
NEW YORK
Automatic Electric Water Coolers

THE R. G.
DALTON CO.
25 BLOOR WEST
TORONTO, ONT.

Announces a service to commercial houses and salesmen. Copying in color to projector slide size of posters or advertising displays, etc.

Blueprints KI. 3134 Photocopies

TO RENT FOR A PERIOD OF 12 MONTHS

Link-Belt one yard gasoline operated 50, Crane and Shovel, with cab mounted on crawlers. A-1 condition. Avoid capital investment and charge monthly rentals to expenses. Write for full particulars.

DUKE EQUIPMENT

DUKE EQUIPMENT CO. LTD.
297 DUKE ST., MONTREAL, P.Q.
Halifax — Fredericton — Quebec City — Sherbrooke — Ottawa — Toronto — Winnipeg — Regina — Vancouver

Cars for Hire — Drive Yourself
Our Cars Insured

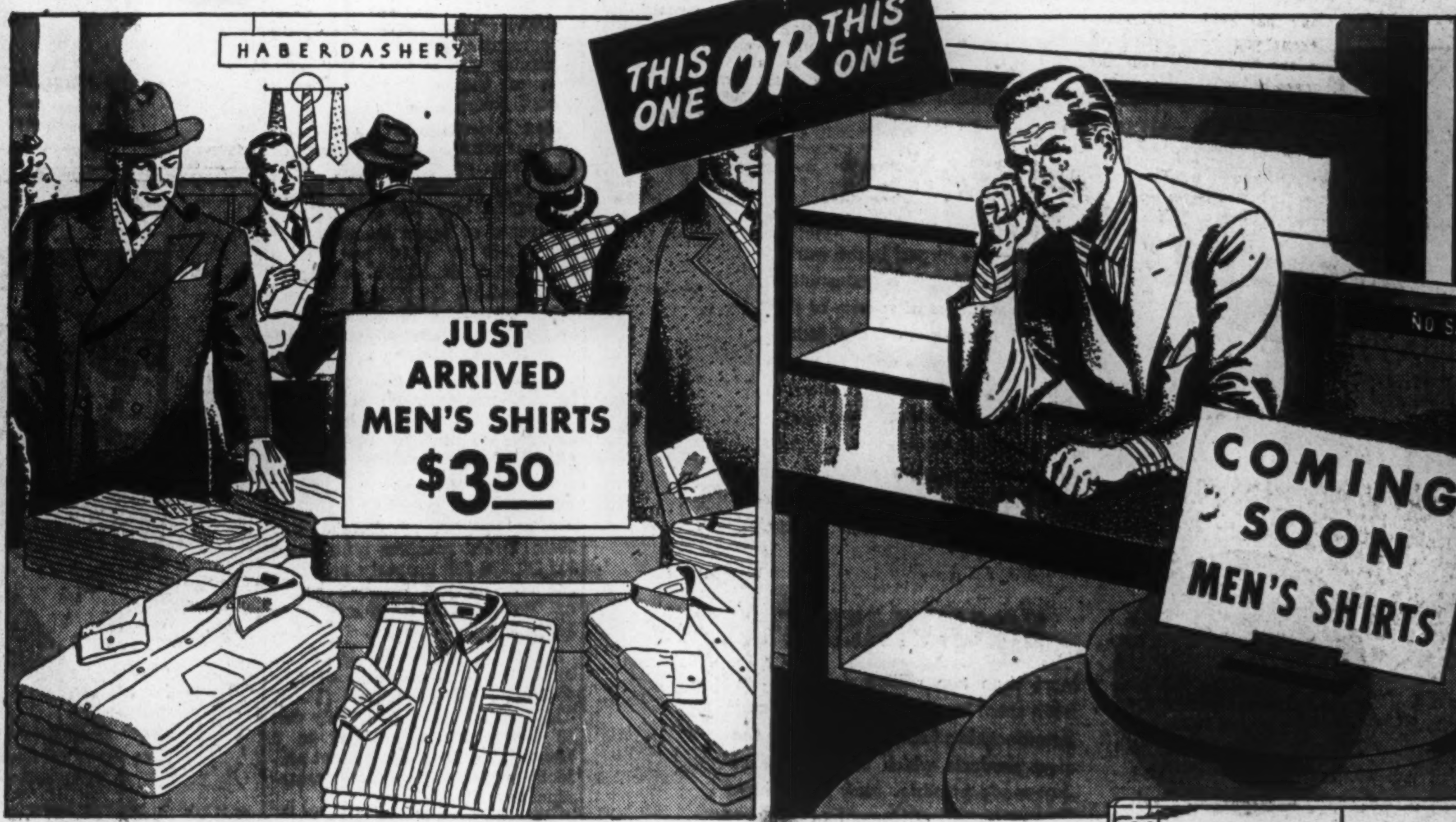
Telephone Waverley 1111

50 new 1948 Cars Available.

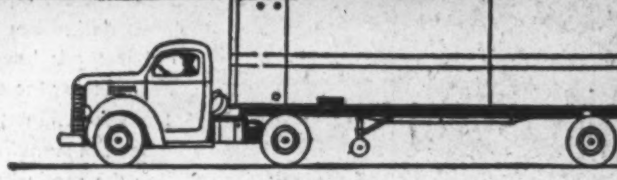
Dominion U-Drive Ltd.
77 Dundas E. (at Bond) Toronto

RYDER
INDUSTRIAL
LIFT TRUCKS
ELECTRIC and GASOLINE
TRACTORS
J. H. RYDER MACHINERY
COMPANY LIMITED
1130 Bay Street Toronto

Which of these Stores gets your business?



ONE GETS SHIPMENTS BY TRUCK . . . THE OTHER DOESN'T!



• Stores get new merchandise days . . . even weeks . . . sooner, when shipments come by motor transport. Trucks and trailers pick up merchandise right at the loading dock . . . roll it direct to retailers faster than any other way.

The retailer who specifies "Ship by Truck" gets his merchandise on sale . . . while others wait for slow freight! And he needs less inventory!

Modern truck transport not only saves time . . . it saves money too. There's less reloading. Less crating. Less handling. Less breakage. Less chance of loss. Less delay!

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Published in the interest of the Canadian Motor Transport Industry by the Fruehauf Trailer Company of Canada Limited, Toronto (Weston) Ontario

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Their Development and Functioning

By HAROLD A. LOGAN

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Here's How Railway Tax Would Be Levied in Sask.

REGINA—CNR and CPR, as well as all other railway companies, will be called upon to pay taxes to local authorities in Saskatchewan on assessments of up to $4,000 a mile on their railroads, if bills now before the Legislature are passed.

The legislation is in the form of amendments to the City, Town, Village and Local Improvement District Acts of 1946 giving the local authority power in each case to tax on mileage of railroad within its territory, and to levy taxes on other railway property on a basis of "assessment at fair value."

The amendments do not apply to streetcar systems.

The top assessment rate of $4,000 a mile on railroads is proposed for cities.

For towns the top rate would be $3,000 per mile, for villages $2,000, and for local improvement districts $1,000.

Similar power for rural authorities is expected in amendments to the Rural Municipalities Act to be brought down this session.

The Amendments

Here are details of the amendments. The main change sought in each Act reads:

"Section 2 is amended by inserting . . . the following paragraphs:

"'Railway company' includes every railway company owning or operating a railway in Saskatchewan whether the head office is situated in Saskatchewan or elsewhere and which transacts business in Saskatchewan, whether as an original enterprise or undertaking or under a lease, contract or agreement or otherwise howsoever but does not include a street railway or tramway;

"'Railway roadway' means the continuing strip of land not exceeding one hundred feet in width and used by the railway company as a right of way;

"'Railway superstructure' or 'superstructure' means the rails ties, switches, poles, wires, sidings, spurs, bridges, culverts, tunnels, cattle guards, platforms, cinder pits, stockyards, turntables, truck scales, stock scales, hoists or signal towers owned by the railway company or used by it in the operation of the railway."

What Companies Would Do

The amendments call upon the railway companies to submit to the assessing authority each year a certified statement showing:

The total number of miles of the railway roadway which is situated within the city, town, village, or local improvement district;

The description and area in acres of land owned or occupied by the company other than railway roadway; and

The description and location of any buildings, structures, erections and improvements, except railway superstructure, owned or occupied by the company.

The amendment dealing with mileage proposal reads:

" . . . the railway roadway owned by a railway company, or occupied by it if the roadway is owned by some other person and is exempt from taxation, shall be assessed at an amount not exceeding $4,000 per mile, (in the case of the City Act). All other land owned or occupied by a railway company shall be assessed at its fair value."

HAROLD M. LONG

president of H. M. Long Ltd., Montreal, has been appointed chairman of the board of Combined Enterprises Ltd., of which he was formerly a director.

Ontario Municipal Statistics Show 6.7% Debt Cut in 1946

A reduction of $13,128,011 or 6.7% in net debt and of $16,236,338 or 7.0% in gross debenture debt, of Ontario municipalities during 1946 is shown by the Annual Report of Municipal Statistics for 1946 issued by the Ontario Department of Municipal Affairs. This debt reduction was a feature of the year's operations, the report states.

Net municipal debenture debt was $182,362,391 or $49.38 per capita at Dec. 31, 1946 ($195,490,402 or $54.12 per capita at the end of 1945). Gross debenture debt of Ontario municipalities at the end of 1946 was the lowest since 1919 at $214,648,074 or $58.12 per capita ($230,884,412 or 63.92 per capita). Gross debenture debt was 6.8% (7.4%) of assessed valuation.

Tax collections in 1946 were $117,925,376 or 100.2% of the 1946 levy, (101.7% in the year 1945). Current tax collections increased by $8,972,428 from 1945 $111,000,976, or 94.4% of the 1946 levy (94.3%). This high percentage of current collections again demonstrates the strong cash position of the municipalities, the report states.

Tax levies for 1946 amounted to $117,628,950,—an increase of $9,465,973 or 8.7% from 1945. This was equivalent to a $31.85 per capita levy for 1946.

Arrears of taxes amounted to $11,115,210 or $3.00 per capita ($11,722,272 or $3.25) and were equal to 9.5% (10.8%) of the current levy. Arrears of taxes are at the lowest amount on record with the Department, it is stated.

Properties acquired for taxes have decreased from $11,430,367 in 1945 to $8,033,594 in 1946. Large amounts of such properties are either partially or fully reserved.

Postwar reserves in Ontario municipalities amount to $3,004,246, an increase of $258,454 over 1945. Other reserves amount to $17,301,679 for property acquired for taxes and contingency reserves. There is also a tax reserve of $4,365,800.

Assessed valuations increased by 2.1% during 1946 to $3,173,454,363 or $859 per capita ($861). The increase is again largely due to new construction and to a lesser extent to re-assessment projects carried on in certain municipalities, it is stated.

Assessed populations of all incorporated municipalities increased by 82,469 to 3,694,528. The increase was most noticeable in township municipalities, while in 1945 it took place particularly in cities, it is noted.

The form and extent of the 1946 report is similiar to that for 1945 and includes a series of charts and graphs together with a map indicating the location of the municipalities and pointing out the boundaries of the counties and districts. Copies of the report are available from the Ontario Department of Municipal Affairs at $5.

Alberta Speed Limit Higher During Day

From Our Own Correspondent

EDMONTON — Maximum speed of 55 miles per hour on Alberta highways was approved by the legislature in committee of the whole in a bill to amend the Vehicles and Highway Traffic Act. The bill also established a maximum speed rate of 45 miles per hour at night.

MOUNT ROYAL RICE MILLS LTD. directors have declared a supplementary tax free dividend of eight cents per share, in addition to the regular quarterly payment of 12½ cents, both payable April 15. The company states that the supplementary dividend is free of tax under the Income War Tax Act, being paid out of undistributed income of the company on hand at April 30, 1939, and upon which the company has paid tax following a final judgment of assessment by the Income Tax Department.

Company currently is on a 50 cents per annum basis, payable quarterly. Initial payment of 12½ cents was made in July, 1946. Net profit for the year ended April 30, 1946, was $32,030 after taxes and depreciation, equal to 53 cents per share on the new common stock.

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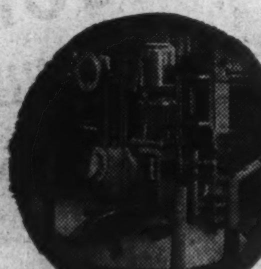

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Dodge Belt Conveyor handling sand and gravel. This installation employs sectional units of conveyor framing which can be moved by crane to desired locations.

This Dodge Belt Conveyor is delivering coal to bulk storage. Dodge steel shell, ball-bearing idlers are employed.

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Pictured above is a modern gas range and warming oven and also the tea and coffee installations at the Odeon Restaurant, 638 Danforth Ave., Toronto.

The CONSUMERS' GAS COMPANY

ENTERPRISE AT WORK

You Can't Sell Abroad Sitting at Home

Here's How Alex Gray Added New Business for His Firm

How can Canadian business sell more in overseas markets? Here are thought-provoking comments, interesting information, from a businessman who went abroad to find out for himself — was so successful he has arranged another trip to another continent.

By CLIVE CHATTOE

"If you want to crowd in on the Americans abroad — if you aim to sell hardware, parts, tools, smallwares and general merchandise in markets they dominate — forget your fret about price and plunge in with quality, service and salesmanship.

"You can't beat them on price. But you've a better-than-even chance to catch them napping on service and salesmanship."

That's the advice offered Canadian manufacturers and exporters by Alexander Gray, president of Gray Forgings & Stamping, Toronto, and its subsidiaries Gray Bonney Tool Co., Toronto, and Haun Drop Forge Co., Welland, Ont., in a Financial Post interview. He is besides vice-president of St. Lawrence Starch Co., Port Credit, Ont., a past chairman of the Automotive Supplies Manufacturers Association and of the Canadian Section, Society of Automotive Engineers.

Alex. Gray, who built up his own business as a major maker of mechanics' handtools and last year for the first time sold them abroad in quantity, has a fair idea of conditions confronting Canadian exporters in Europe and Africa.

And last week he was tidying his desk for departure to Latin American countries and expected new U. S. dollar sales.

Born in Cardinal, Ont., 64 years ago, Manufacturer - Salesman Gray is son of St. Lawrence Starch's late board chairman who died in 1935 at 94. From apprentice boy at 16 on a four-master from Europe to United States, he gravitated to three years with A. J. Davis & Sons, Toronto (now Davis Leather, Newmarket) and then nine years in Tampa, Fla., Augusta, Ga., and Havana, Cuba, variously with the big meat packing Armour & Co., and a wholesale hardware house.

Returning to Canada in 1912 at 29, he joined his brothers, the late Robert and James in founding Gray Manufacturing & Machine, forerunner of the present firm.

Gray Forgings, in addition to mechanics' hand tools, makes equipment tools for the automotive industry. Its 1947 production is put at close to $2 millions, of which about 15% was exported in the last half of the year for the company's first major export effort. Gray Forgings prides itself on its production bonus scheme and a long record of good labor relations.

From the same plant in West Toronto, subsidiary Gray Bonney Tool merchandises the parent company's hand-tool line. Haun Drop Forge at Welland produces rough drop forgings for the parent company and on custom orders.

Assets of the group are given a net value of about $800,000. Employees number about 300 and annual payroll is reported at about $800,000.

How to Get Business

Gray, keen but unassuming and with something of a reputation as raconteur tells how he started out last August for export business at a time when Canadian papers were full of talk of the critical dollar shortage; how he returned to Toronto 78 days later after traveling 27,000 miles and selling in half a dozen countries.

"Catherine (Mrs. Gray) and I saw Holland, Belgium, Paris, England and just a little of Scotland. We flew to Holland. I appointed an agent and the next day he sent $25,000 cash to Canada in payment of an order. We have secured over $100,000 of business since from Holland. Of course it was the Canadian loan that made this possible.

"In Belgium I could have secured some business but thought it advisable to leave this for the time being in the hands of our enthusiastic Dutch agent because the Benelux economic union was then just about to go into effect.

"From my experience it didn't seem necessary to appoint an agent in England. If a company can sell a half dozen or so of the large-stocking importers they, in turn sell all the other wholesalers who don't import. However, the trouble was lack of import licenses. I found one good company with unfilled licenses and got three good orders. One other firm had a license for £340 on a U. S. company, telephoned the Board of Trade to find out if they could switch to us. But the Board of Trade was at lunch. Three months later we got the order.

"This question of lunch and afternoon tea makes business a little difficult. I spent a lot of time making telephone appointments but finally found it better to take a taxi (inexpensive) and make calls without appointments. By explaining that I was from one of the colonies and didn't know the fine points of doing business in England I generally received a satisfactory reception."

Right here The Post asked Mr. Gray how he saw net effect of the recent Geneva Agreement on Canadian trade with Empire countries. His reply was that for Gray Forgings and similar lines it means a 2½% to 7% drop in tariff with gain chiefly to U. S. exporters. He said it meant Canadian exporters would have to sell that much more aggressively.

"In Cairo I appointed an agent but didn't get any business because of the shortage of dollars. Egypt had just quit the Sterling area and now was nowhere from a financial standpoint. In Nairobi, capital of Kenya, I called on three or four prospects and appointed one as our stockist-distributor. But the dollar-freeze was on, so no order."

Gray digresses for an observation on British East Africa, consisting of Kenya Colony, Tanganyika Territory, Uganda, Nyasaland and the Sultanate of Zanzibar with a population of about 13 millions of whom only 30,000 to 40,000 are whites. "I gathered from my informant at Nairobi that British Colonies aren't always happy about British control; that the producers could and would like to sell and buy for dollars but, as a colony, they sell and buy for pounds sterling.

South African Experience

"In Rhodesia I only stopped for lunch. I thought from a business standpoint it could be handled by a South African agent. It cannot; you need an agent there and it is under English Sterling control.

"But the whole purpose of my African air jaunt was to sell Gray Tools to South Africa. My first three weeks in Johannesburg was about the hardest selling I've ever done. For the first three days I interviewed prospective agents because I feel that in a good many countries an agent is desirable. I finally made what I feel was a good appointment.

"Then I started calling on the trade and found that a great deal of business is done on the franchise basis, that is, one company probably with branches secures a line exclusively. There are many U. S. tool manufacturers and many had given such franchises. So it became a sparring match. Finally I closed with one of the best companies with seven branches in the Union and gave them a semiexclusive deal on our high class automotive line; then went out and picked up $17,900 worth of business on our open line.

"Before the 1947 trip, we'd made minor shipments abroad and only to Australia and New Zealand. Since, we've sold for the first time in Holland (over $100,000), South Africa (over $26,000), England and Ireland (over $20,000). In all that's only $150,000 but it's U. S. dollars and good for a start, particularly since it was against strongly entrenched American competition and overloaded stocks."

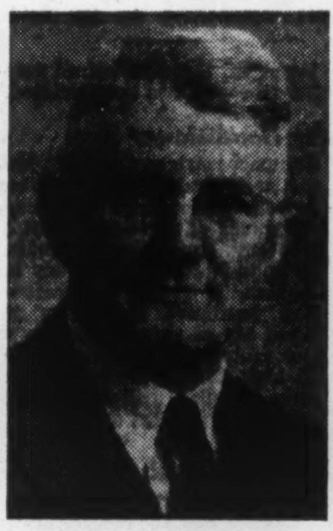
Some Export Trade Steps

To men considering export business, Alex Gray offers this further word of advice:

1. "Don't appoint an agent without first consulting the local Canadian Commercial Counselor. While these men and their assistants are civil servants, they feel and act as representatives of Canadian industry. I secured every co-operation from them in business and socially in London, Glasgow, The Hague, Brussels, Paris, Cairo and South Africa.

2. "Go to these foreign countries and meet these people. Let the presidents and head executives go; don't just send salesmen. At Johannesburg my new largest export customer and friend Hector Falconer at a farewell dinner said to me: "You know Alex, one reason why I decided to go with you was because you came down here yourself."

"South Africa is a great country. But how great and how much export business awaits Canada there? Do not think that 39 million natives live in the four provinces of The Cape, Natal, the Transvaal and Orange Free State like the blacks do in Harlem, New York, or Ybor City, Tampa. For the 2½ million Europeans living in all of Africa south of the Equator, you can figure about 2½ million native population able to buy a cheap hammer or pair of pliers.



ALEX GRAY

"The Union of South Africa is of course the best market. It has 2.3 million European population with 400,000 automobiles. Their exports in 1946 were 432 millions of gold and 334 millions of other goods, mainly wool and wool products, diamonds, some sugar, tobacco, asbestos, chrome, etc. Their imports from United States were $228 millions, and that is our chance.

"But if you ever go down there on business, don't worry about the telephone. It is run by the Government. If you want to talk to a man in Port Elizabeth or Cape Town, take a plane. It's faster than the telephone."

Gray Forging's world salesman this week flies to Bogota, Colombia, for a junket through Venezuela, the West Indies, Panama, Central America and Mexico. He has an agent in Bogota appointed a year ago and one in Sao Paulo, Brazil, appointed last November. His first South American order came two months ago, from Colombia at about $11,000. Since then there has been one from Brazil at over $10,000 and a Mexican order at about $6,000 which "just walked in."

Gray tells The Post he aims to multiply this promising start by "at least a hundred before I get back in May."

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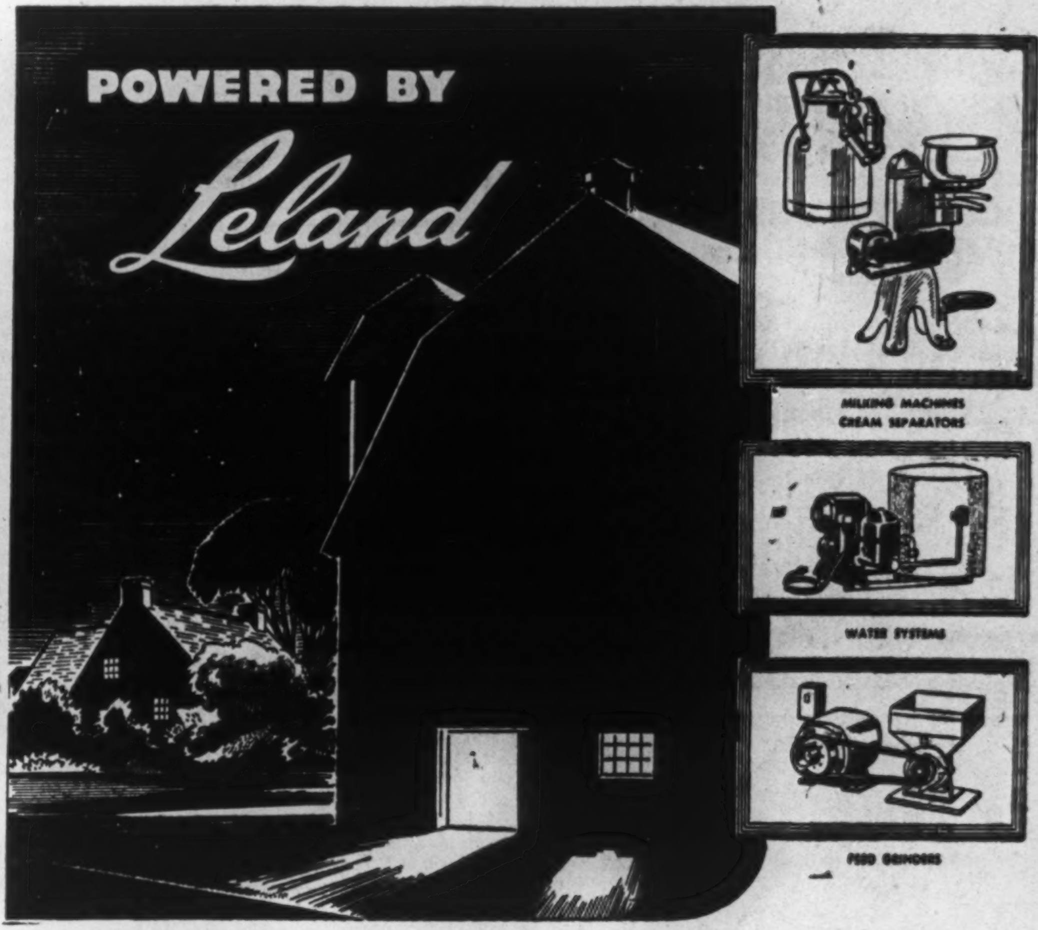

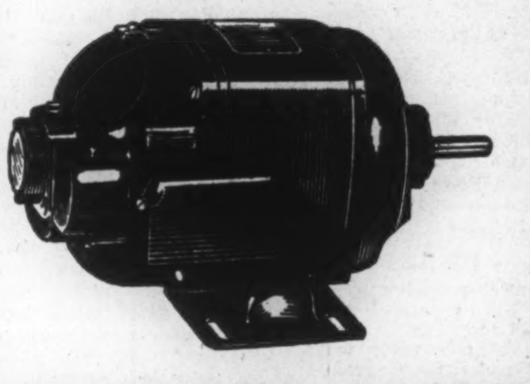

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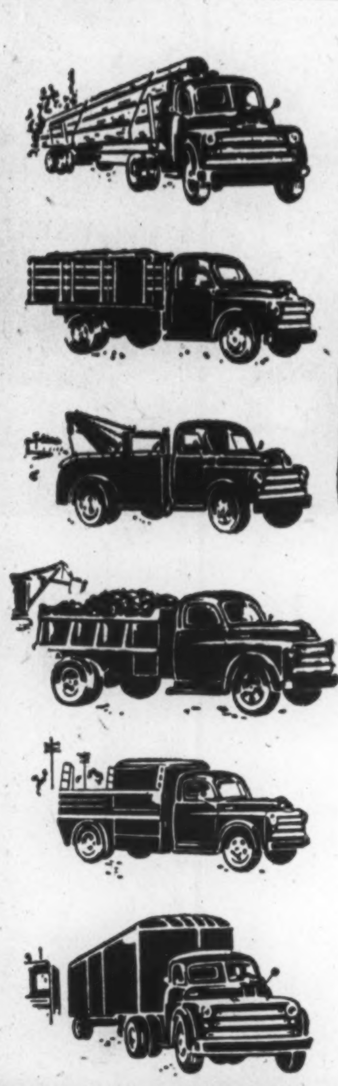

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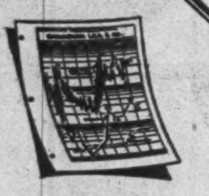
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Alberta Okays Civic Projects Of $10,777,210

From Our Own Correspondent

EDMONTON — The Public Utilities Commission has approved $10,777,210 in loans to cities, school districts and divisions, municipal hospital districts and towns and villages.

The Commission's report to the legislature points out, however, that approval of the loans does not mean that the funds have been raised. Some applicants are expected to borrow later, when arrangements have been completed.

Cities plan to borrow $6,460,000; towns and villages $1,644,950; municipal hospital districts $1,077,000; school districts and divisions $1,595,250.

Purposes of the loans include: $750,000 by Edmonton to purchase transit system equipment; $3 millions by Calgary for a hospital building and equipment, $1.5 millions for a storm sewer system and $500,000 for its transit system.

The oil town of Leduc wants $32,000 for a sewage and sewer disposal system and $40,000 for a water supply and distribution system. Westlock wants $88,500 for a water supply and distribution system and $23,000 for a sewer system.

Camrose wants $70,000 to complete extensions to its sewer system and $50,000 for reconstruction of exhibition buildings. Borrowings for municipal hospitals included $185,000 for Wainwright; $150,000 for Stettler; $108,000 for Rimbey; $30,000 for Tofield; and $60,000 for Peace River.

Hostel at Airport Is Edmonton Plan

From Our Own Correspondent

EDMONTON — To overcome shortage of hotel accomodation for air travellers, the city plans to establish a hostel at the municipal airport. It is negotiating with the federal Government, for use of a large, H-shaped RCAF barrack block, which could provide a large cafeteria, a lounge room, and 20 bedrooms.

The city hopes to buy the building, "if the price is right," Mayor H. D. Ainlay states. Otherwise, it will seek a lease-transfer agreement.

NORTHERN YELLOWKNIFE MINES has been struck off the Alberta register.

NORWEST EXPLORATION has been struck off the Alberta register.

Ville St. Laurent has sold $130,500 bond issue of 3% serial 20 year at a price of 97.76 to Dominion Securities Corp. Money borrowed will cost the corporation a net average interest of 3.235%.

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Desk Pad

Continuous record of notes and engagements can be kept on new desk pad, eliminating torn pages, lost messages, bulky sheaves of paper littering the desk, makers claim. Paper is wound on spool operated by Tenite knob on outside of the plastic case. Paper feeds off spool onto writing pad and around flat, moveable section which pivots on wires attached to the housing. When used, the paper is flipped out of sight by turning the flat section over. It can be turned back if need should arise to consult it later.

• • •

Floor Polisher

Driven by air pressure from tank type vacuum cleaner's exhaust, new attachment removes much of the labor from floor polishing. A 7-in. circular bristle brush spinning on a horizontal plane polishes; two sheepskin "bonnets" are supplied for applying wax and buffing. Unit works successfully also on tabletops, woodwork and automobiles. Drive is from air turbine with reduction gear to cut down polishing speed.

• • •

Baby Battery

Tiny dry cell battery of new construction is being manufactured for portable radios and hearing aids. It consists of multiples of small plastic cells which interlock automatically when assembled to make the electrical connection between cells. Its manufacturers say that it has approximately 20 per cent longer life than ordinary batteries and is less liable to failure as 91 per cent of the soldered connections have been eliminated.

• • •

Tanks Won't Rust

Chemists believe they have found answer to the problem of hot water tanks rusting. Magnesium rod, fitted inside tank, slowly disintegrates instead of tank walls. Technically called anodes, these rods contain steel core to prevent break-up at points of heaviest attack. Moderately priced, easily installed, they can be used on any size or type of water heater or fitted to existing heaters. Rod extending full length of tank will last about six months, makers say.

• • •

Three-way Furnace

A furnace convertible to coal, gas or oil will relieve householders of future fuel shortage headaches. Air-conditioned burner changes over to different fuels with "packaged" units fitting into bottom section. Coal package has grates for anthracite or bituminous coal and can be stoker fired. Automatically controlled gas burner that works with any standard grade of fuel oil. Furnaces are made in four sizes.

• • •

Advertising Idea

Display case incorporating electronic, electrical and lighting principles to give three-dimensional scene-shifting show will interest manufacturers looking for something new in advertising. Based on principles developed in wartime, makers say cabinet features animation, novelty, realism and versatility, utilizing fade out technique similar to the effect obtained on movie screen.

• • •

Paper Jogger

Small model electromagnetic paper jogger weighs only 13 pounds, stands 4½ inches high and has 7 x 10 inch wooden vibrating deck. With built-in variable control, jogger, which is easily portable, is useful in jogging small-size paper prior to feeding, cutting or binding, and makers announce it is available for operation on alternating current, 110 volt.

• • •

High-speed Counter

A count detection system, just announced, employs ten separate photoelectric detectors operating in parallel and connected to an electronic counter. Makers say the system will provide with absolute accuracy and high speed, a count of small parts for packing and inventory. It can also be applied to totalizing and predetermining machine operations through the use of other systems of detection. For instance, the output of a multiple number of printing presses can be predetermined to either stop the presses or provide a warning signal that the desired number of copies has been printed.

• • •

Air Conditioner

Compact refrigerating unit, hermetically sealed and self-oiling, powers window-type conditioner for rooms of up to 250 sq. ft. It fits any double-hung window, 29 in. to 52 in. wide and, say the makers, it cools, dehumidifies and ventilates, circulating filtered air at rate of 185 cu. ft. per minute. Installation is 13½ in. high, 26 in. wide and 29½ in. deep. Angled grilles direct air upward to prevent drafts.

• • •

Change Machine

Coin machines being bulit for use on buses and street cars accept any coin, register fare and return the correct amount of change. They can handle up to 100 fares a minute, keep check of total collections, number of passengers and special rate traffic. Modification of this machine is being developed for use on vending machines.

• • •

Stainless Shelves

Latest refinement in bathroom fittings is recessed shelf unit of stainless steel. Canadian manufacturers announce two models, one for installing over bathtub to hold salts, bath brush, sponges and other articles too large for average medicine cabinet; the other has mirror-lined back and bottom shelf and two glass shelves, useful for storage and decorative as well.

• • •

Use-again Cans

Double-purpose can coming off the presses of the Continental Can Company is adapted for such purposes as handling gas and oil on the farm, motorboat or automobile, for storing kerosene or for carrying water on trips off the beaten path. Fitted with swing handle the can has removable 2½-inch hex. screw cap in the dome top for convenient filling, and a 3⅞-in. spout with double screw cap providing for easy pouring through 1¾-in. opening or through ¾-in. opening. These "Utility Drums," lithographed to manufacturers' specifications, will be lasting advertisements, for they are ruggedly constructed for hard wear.

• • •

Blueprint "Wardrobe"

Filing, storage and location of blueprints are simplified by new cabinet which holds up to 1,000 drawings and is designed so that any print can be easily removed. Prints are held by suspension rods and hinges. Rods slide apart when cabinet's front panel is opened, enabling simple insertion and removal of prints at indexed spot. Index cards and lock are standard equipment.

• • •

Water "Joystick"

Working like airplane joystick, water volume and temperature are regulated by new valve faucet. Flow is controlled by pushing handle down, temperature adjusted by moving handle from side to side (centre lukewarm, left and right for hot and cold). Fixture is chrome-plated brass.

• • •

Bulbs Live Longer

Rubber mounted diaphragm molded to the socket protects lamp filaments from vibration and lengthens useful life of electric bulbs, claim makers of new unit. Diaphragm fits standard four-inch wall outlet box, protects inner assembly from water, dust or oil. Takes bulbs in sizes up to 150 w.

• • •

Dental Drills

Burrs on the latest type of dental drill are said to generate less heat and to remain sharp fifty times longer than ordinary steel burrs. Makers use Corboloy cemented carbide in their manufacture.

Vickers-Vulcan 'Lastiglas' Agent

MONTREAL (Staff)—Vickers-Vulcan Process Engineering Co. announce an agreement with Bishopric Products Co., Cincinnati, for an exclusive license for Canada and Newfoundland for the application of "lastiglas" coating.

"Lastiglas" is a resin-type coating, entirely tasteless and odorless, and possesses a high degree of corrosion resistance, it is stated. It is used exclusively as a lining material for tanks, pipe, and equipment items in the chemical processes, food and pharmaceutical industries. This material is used extensively in breweries to line fermenting tanks and storage tanks.

Vickers-Vulcan is setting up a new division to handle this operation which will involve both field work and work in the shop of Canadian Vickers, one of the parent companies of Vickers-Vulcan.

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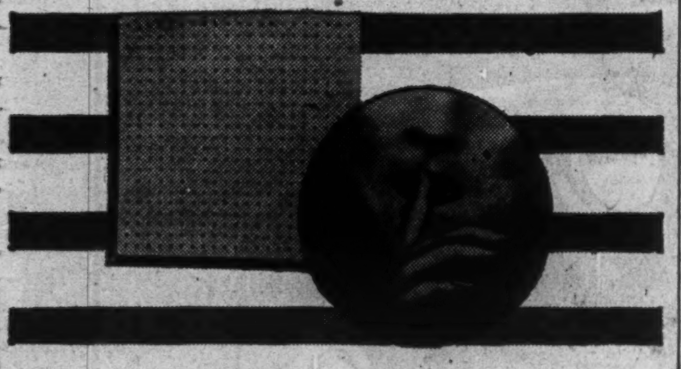
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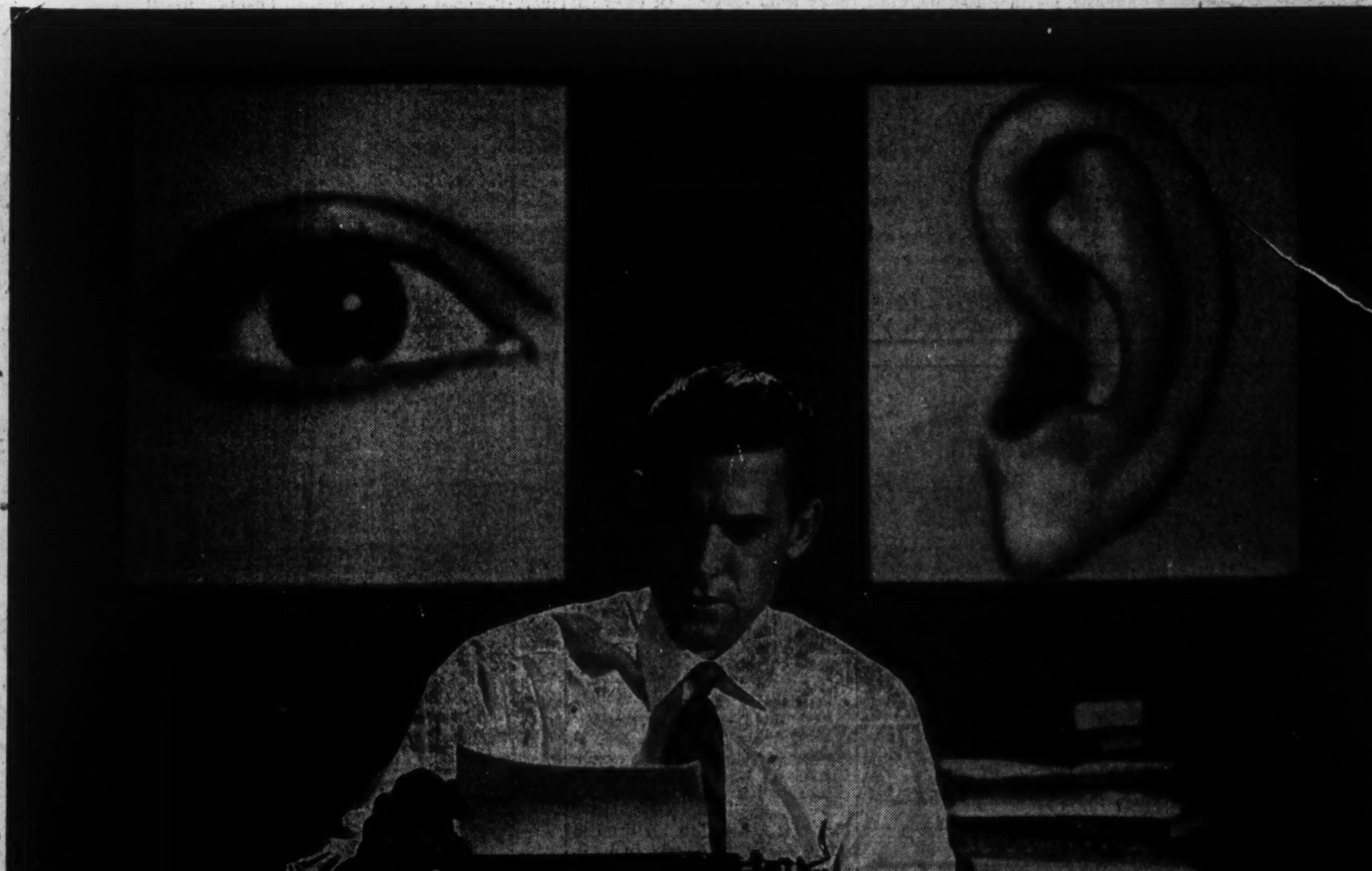
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Vol. XLII Publication Office: Toronto, March 27, 1948 No. 13

The Heat's On Tax Dodgers

Here's How Revenue Sleuths Nab Tax Chisellers

By RONALD WILLIAMS

Canada's tax dodgers had better start taking violent evasive action: Canada's little publicized corps of financial G-men are getting the range and bringing down more and more tax chisellers every day.

The anti-tax evasion guns really began laying down a barrage about a year ago. The enemy now as then: deliberate, wilful, fraudulent tax jugglers.

The taxpayer who makes an honest mistake has nothing to fear: it's the schemer tax crook the Government is after.

Like the Central Ontario manufacturer who chiselled on income and excess profits tax to the tune of $20,000 then got hooked over a puny $17 cheque.

He had what looked like a perfect setup. His tax return in 1942 showed no profit. The same thing in 1943 and '44. In 1945, he paid $165.

Then a tax assessor, doing an audit in another firm altogether came across a cheque which puzzled him.

It was made out to the tax-cheating firm but the president had diverted it to his own personal account.

Why would a well-to-do-business do a thing like that? It just didn't add up. The result: four years of tax thieving uncovered.

The culprit, a highly respected businessman, was lucky to get off with a fine—$17,000 against the firm and $6,000 against himself. This was the first time the fine has exceeded the amount of the evasion.

I-men on Job

To man the new tax enforcement guns, a special branch was set up within the Income Tax Branch during the war. But it didn't pack much of a punch until a year ago. About that time the branch was renamed "Intelligence."

Since then, a small but highly efficient group of specially trained Intelligence or "I-men" have piled up an imposing record of convictions, jail sentences, fines and collections of back taxes.

During the last year or so, about 10 times as many tax shirkers have felt the heavy hand of the I-men as had been prosecuted in the whole previous history of the department.

A dozen have been given jail sentences. Nearly 100 more have been fined.

Up to last week, 95 cases of deliberate tax conspiracy and falsification had been prosecuted. Only one case was lost.

Altogether, the convicted tax-crooks paid fines aggregating $463,916.78 (up to last week). In addition they had to dig down for nearly $3 million in back taxes.

The heaviest fine: $47,000 for a four-year evasion of $482,643.46. Three others paid penalties of $40,000; a score were fined $30,000; the rest anywhere from $100 to $30,000.

Courts Getting Tough Too

This should be enough evidence to show the tax department isn't fooling. What's more, the courts are taking an increasingly serious view of income tax fraud.

When the Enforcement Branch began functioning, courts took a more or less lienent view. That attitude is changing rapidly.

Today, if a tax dodger is lucky enough to avoid a jail term, (two year maximum) he's sure to be fined anywhere from 20%-50% of his tax evasion, maybe even 100% or more. The law provides a maximum fine of double the evasion.

The long-held notion that there's nothing really dishonest about a slight bit of tax juggling is now a dangerous myth.

Likewise, the once comforting idea that people who gyp the Government on taxes never went to jail. Until last year that was quite true. No one ever had.

But that was before the heat went on.

Last year seven tax chisellers were put behind bars; another three got suspended sentence. Three others would have been sent down too but for their age or health.

Voluntary Declarations Increased

Besides having a definite salutary effect on potential tax-slackers, the new get-tough policy has sent the rate of so-called "voluntary" declarations soaring. Last year alone, the tax collector's cash register jingled to the tune of $125,000 in "conscience" tax money.

This doesn't mean that tax gyps get away with a last-minute repentance. If the tax department is already on his trail and would catch up with him eventually anyway, an 11th-hour confession won't do him a bit of good. Once the I-men get on the scent of some tax jobbery, they hang like bulldogs until the culprit is brought to justice.

Voluntary declarations are occurring more frequently and in almost direct proportion to the increase in the number being caught and hauled into court.

And it's all right by the tax department. The new Intelligence Branch is not a Gestapo by any stretch of the imagination. They aren't out to get people just for the sake of getting them.

As one official put it: "Ours is a mopping up job that has to be done if there is to be fair treatment all round. Whoever gets out of paying income tax increases the burden on those who don't. Those who don't are the wage earners and salaried people—the ones who can least afford to carry the tax dodgers on their shoulders."

The new Intelligence Branch operates on the principle that before a tax chiseller is taken to court, they must be able to prove that there was deliberate and wilful manipulation of books and accounts over a period of time.

Benefit of Doubt

A case never gets to court unless the Branch feels absolutely certain of a conviction. If there's the least doubt, the suspect gets the benefit of it.

In assessing what action to take, the I-men consider the intent rather than the amount involved. That's why one man gets fined $50 for a $1,000 evasion and another $500.

One wrong statement or a false entry is not enough. Prosecution only follows when investigators come across a series of grossly false statements which can lead to no other conclusion than that they were done deliberately with intent to defraud.

So when a tax dodger gets a summons to appear in court, he knows he's had it, to all intents and purposes, particularly the big gypo. Generally speaking, they're the ones the Intelligence Branch is after; the men who wilfully and knowingly set out to do the Government and their fellowmen.

The original Enforcement Branch, as it was called, was actually set up during the war, but the pressure didn't go on to any great degree until early last year.

The new policy of getting after deliberate tax fraud grew out of the spectacular increase in the number of taxpayers, particularly in the low-income bracket; from 300,000 before the war to an estimated 3,000,000 this year.

Deduction at the source made sure that the wage earner and salaried workers would pay their fair share. To make equally sure that those who were under no similar compulsion paid their way, the Enforcement Branch was established.

For quite a while it was a pretty feeble effort. When the present head took over in 1945, the Enforcement Branch consisted of four officers and two stenographers.

To day he has a staff of 79 and is looking for more. He has an establishment of 140. When he reaches it, the tax dodger's life is going to be a lot more precarious than it is today. In the Income Tax Department proper, there has been a corresponding increase in personnel: from around 1,300 in 1939 to over 9,000 today. In 1939 there were only 368 assessors. Today, around 2,000.

Caught by Accident

How do the income tax people catch on to tax evaders? Most of the big ones are nabbed accidentally, like the one tripped up by the $17 cheque. In most of these cases, the assessor turns up the first bit of evidence while making regular audits, but not necessarily of a firm which might be cheating.

Other tips come from informers whose motives are varied. They may hope for a reward. In some cases rewards are paid, but they're disappointingly small. Other's spill the beans from spite but every tip is investigated, no matter what the source or motive behind it.

Then, too, the department is gradually developing a system of its own. Throughout the 22 tax districts in Canada, tax people are becoming increasingly conscious of enforcement, probably because of the emphasis now being placed on this branch of the service.

They look for such seemingly innocuous newspaper items as property and business transfers; estates being broken up; wills being probated; reports on the ownership of stocks and bonds. Then they watch for the next return from people making such news. If the news isn't reflected in their return, the department begins to get curious.

Tax People Curious

They are also paying particular attention to unusual and inconsistent signs of affluence on the part of people who, judged solely by their income tax returns, can't afford such expense.

This makes the tax people curious too. Where is the money coming from. So they begin to take a second look at so-and-so's tax return. How come he's building a $30,000 house on an income of $4,000?

In many cases, the answer is: tax evasion. And when the tax people really start out to find out what goes with you financially, they do a thorough job. They can check your bank account—without your permission. They have special authority under the Enquiries Act to force a bank to open its books to them.

They can question deposits and withdrawals; they can trace cashed cheques. They can compare your balance sheet with your competitor to see why he's reporting twice or three times as much income as you. They can investigate real and personal property holdings after taking your sworn statement as to your net worth.

But at the same time, everything you do tell them is top secret if you're on the up and up. Such information cannot be divulged to courts or the police. It's as closely guarded as the atomic bomb blue print. But just try giving them the business and they'll be on you like a ton of bricks.

Here Are Some Classic Income Tax Chiselling Case Histories

How do the Income Tax people get wind of tax frauds? What are the commonest tax rackets? What's the penalty likely to be? Following are some representative case histories of tax frauds taken from a list of 94 successful prosecutions in the last year or so.

Case No. 80: This involved a big-shot West Coast juke-box operator and resulted in the merriest tax chase in tax-chasing history. His kind of business was an ideal setup for tax chicanery; he dealt in nothing but cash. He'd collect the "take" in nickels and dimes and had caches of coins all over the place.

The Intelligence Branch knew he was chiselling, but had no way of proving it. He had a dozen bank accounts under assumed names. His system was well-nigh perfect. So the I-men took another tack; the psychological approach. They began shadowing the juke-box king and didn't try to hide the fact.

Eventually, the suspect couldn't stand the suspense any longer. One day he broke down, went to the tax people and confessed. But that didn't save him from prosecution. He was found guilty of evading $82,000 tax, fined $20,000 and given six months. On appeal, the jail sentence was revoked and the fine reduced to $10,000.

Case No. 54: This involved a Central Ontario father and son operating a wholesale cloth house. Originally they were caught by Wartime Prices and Trade Board for selling suit lengths above ceiling prices. That cost them $16,000. Then the tax people stepped in. They found they had been suppressing sales by making cash deals to the tune of almost $100,000. Fine; $43,000 plus unpaid taxes of $30,000

Case No. 74: This turned on the capital gains principle. The culprits: a husband, wife and son, operating a tightly knit family auction sales firm for selling raw furs in Western Canada. In effect, they were commission agents for trappers. They made advance payments on the furs, then full payment after they were sold.

But invariably after a sale, there would be some furs left over. The father (president) his wife (secretary-treasurer) and his son (manager) would then sell these leftover furs and credit the sales to their personal accounts, claiming they were capital gains. The tax people convinced the court it was nothing but a slick form of tax chiselling. The fine, $14,000.

Case No. 89: This involved pretty well all the more popular forms of tax evasion: falsifying of purchases; suppression of sales; manipulation of inventories and payroll. The two owners of this prosperous Quebec lumber firm evaded taxes all through the war.

Finally, during a routine audit in 1945, the tax people caught up with them. They uncovered the greatest single case of tax evasion in Canadian tax history—$482,000. The fine was also the largest in tax history—$47,000.

Case No. 90: Tax people described this as the most naive attempt they'd come across at tax evasion. It was discovered, again during a routine tax audit. There was no attempt at concealing the fraud. The bookkeeper would take in his monthly report on sales and the president, a Central Ontario plumbing wholesaler, would remove the sales he didn't want to pay tax on. It was as simple as that, and just as obvious to the assessor.

In court, the offender was described by his lawyer as a "plain, simple unlettered man, dazed and confused by the complexity of income tax. He was abysmally ignorant of tax procedure."

The magistrate didn't think so. The wholesaler had cheated the government of $71,214.61 He had to pay that back plus a fine of $18,000.

Case No. 95: This was an example of the most common kind of chiselling by retailer store keepers. The tax assessors went into a Northern Ontario dry cleaner's store to do a regular audit. He found a minor discrepancy. When he asked for an explanation, the owner offered to make one the next day.

He did: a confession. He'd talked to his lawyer and that was the legal advice. But that didn't end the investigation. Before they were through the tax people uncovered two sets of books, one for the "purpose of not paying too much income tax," to use the offenders own words; the other to keep track of how much he was really making.

Over a period of three years, he had weasled his way out of paying $34,508. He had suppressed $54,000 of sales by failing to give customers receipts. The fine: $17,000 plus unpaid taxes.

Case No. 14: This didn't involve much money but a lot of conniving between a so-called "adviser" and two relatively unimportant tax payers. The amount of tax evaded was negligible but the intent to defraud was grea. The adviser would show his "clients" how to raise charitable donations or doctor's bills from $5-$50. One taxpayer was fined $200; the second $50. The "adviser" got 15 days in jail.

Case No. 73: This western engineer firm president was found guilty on two of 16 charges of evading $40,000. He was fined $5,000 and given two years suspended sentence. He had concealed sales from 250 customers over a period of four years.

Like a lot of others, he was caught when an assessor smelled an evasion rat during a routine audit. But it was hard to believe that he'd taken the country for $40,000.

Case No. 93: In making a regular check of the books of a Central Ontario firm, tax assessors came across an invoice lacking a serial number. It didn't look right. The result: exposure of one of the juiciest tax dodging rackets ever uncovered. When it was all over the first businessman had been fined $15,000 and two partners in a neighboring city dragged in, fined $47,000 and each sent to jail for six months.

This particular scheme was perhaps the most elaborate of all so far uncovered. It had its birth in wartime shortages of fine paper. The first businessman wanted it; the other firm had it. They made a deal to cover up their buying and selling between each other by using cash. The seller made tax-free sales; the buyer was able to do the same by some more involved juggling of his books.

For a couple of years the scheme worked like a charm. Then the first man got tired of making weekly or monthly trips with a bagful of cash to pay off his collaborators. So he got his elderly bookeeper to act as go-between. Finally the bookeeper got the wind up and refused to have anything more to do with the deal.

He quit. Soon after the involved bookkeeping the system used to cover up the illicit trading broke down. In a routine audit, the tax people soon spotted the discrepancy.

In the opinion of tax officials, the other half of the case was far more reprehensible. It involved outright forgery; suppression of sales; the inflation of costs; failure to report other sources of income.

The tax crook used the names of five companies, four of which existed and one which was fictitious and put through bills for transactions which had never taken place. Then he issued cheques, forged the endorsations and cashed them. He didn't make any money this way but he was able to inflate his costs which was almost the same thing.

By making sales on un-numbered invoices then withdrawing them from his records, he was able to conceal $102,000 worth of sales. He also owned an apartment house which brought him an income of $8,000 which he never reported.

Case No. 19: The method of evasion here was inventory juggling. It involved a father and his son and their prosperous Eastern Ontario department store. By reporting inventories much lower than those actually held, they beat the Government for $235,000

The fine: $40,000 and six months in jail for each plus another 18 months if the fine was not paid. The father's sentence was suspended because of his age and health. In giving jail sentences, the magistrate went beyond the penalty asked by the Crown. "I see no mitigating circumstances at all," he said.

The Tax Dodging Record

Case Number	Tax Evaded	Fine
1	......	$ 65.00
2	$ 41,000.00	10,000.00
3	40,000.00	2,500.00
4	1,230.00	200.00
5	11,500.00	5,000.00
6	2,100.00	1,500.00
7	......	10,000.00
8	......	200.00
9	......	150.00
10	416.95	400.00
11	......	100.00
12	......	10,000.00
13	......	100.00
14	......	250.00
(1st partner $200; 2nd $50; 3rd, 15 days in jail)		
15	14,262.12	2,500.00
16	16,538.33	1,000.00
17	3,957.99	500.00
18	2,400.00	500.00
19	235,000.00	40,000.00
(President, 3 months; secretary, 6 months)		
20	9,848.00	900.00
21	47,327.00	15,000.00
(2 partners each 6 months)		
22	5,500.91	450.00
23	14,000.00	4,400.00
24	5,800.00	3,325.00
25	5,900.00	4,500.00
26	1,499.00	525.00
27	7,195.74	2,775.00
28	6,266.28	3,350.00
29	28,691.69	6,082.28
30	26,755.50	3,100.00
31	......	100.00
32	......	100.00
33	......	100.00
34	......	50.00
35	......	100.00
36	......	100.00
37	......	100.00
38	......	100.00
39	......	100.00
40	......	50.00
41	......	100.00
42	134,895.65	1,000.00
43	1,018.59	400.00
44	258.52	200.00
45	226.55	80.00
46	304.83	50.00
47	481.00	150.00
48	755.63	600.00
49	587.30	300.00
50	417.00	400.00
51	72.19	54.50
52	436.80	100.00
53	125,000.00	40,000.00
(Pres., 3 months; sec., 6 months)		
54	33,100.00	40,000.00
55	10,114.00	5,760.00
56	7,574.86	2,500.00
57	44,000.00	2,250.00
58	7,074.00	5,100.00
59	38,574.09	6,000.00
60	1,256.00	200.00
61	3,233.00	1,500.00
63	40,459.00	15,000.00
63	6,052.78	1,500.00
64	7,782.66	5,050.00
65	20,226.00	23,000.00
66	......	300.00
67	......	500.00
68	......	150.00
69	16,215.12	500.00
70	21,665.29	2,000.00
71	17,580.79	2,000.00
72	218,816.26	12,000.00
(2 year suspended sentence)		
73	40,000.00	5,000.00
(2 year suspended sentence)		
74	350,000.00	14,000.00
75	......	100.00
76	14,098.20	3,000.00
77	......	100.00
78	6,000.00	1,000.00
79	5,365.90	500.00
80	109,749.84	10,000.00
81	38,527.47	1,000.00
82	11,199.47	5,000.00
83	5,500.00	250.00
84	1,332.85	100.00
85	2,378.69	250.00
86	22,000.00	4,000.00
87	20,394.00	2,500.00
88	15,000.00	8,000.00
89	482,643.46	47,000.00
90	71,214.61	18,000.00
91	12,000.00	3,000.00
92	300.00	100.00
93	86,114.33	25,000.00
94	34,508.62	17,000.00
	$2,513,694.36	$463,916.78

Where Your Federal Tax $ Goes

1948-49 Estimates Still Hover Around $2 Billion Mark

BY KENNETH R. WILSON

OTTAWA (Staff)—As a taxpayer, you'll be interested (and probably disappointed) to learn that 1948-49 is going to be another two-billion-dollar year for federal government spending.

Government "estimates" tabled recently call for federal spending in the year starting April 1, 1948, of $1,985 millions. These are only the "main" estimates. There will be "supplementaries" brought down later in the year. In 1947-48 these supplementaries cover a further $195 millions on ordinary and capital account. Added to the original "main" estimate of a year ago, this gives estimated spending for the year just ending, of $2,190 millions.

Despite the ballyhoo that government spending was to be "lower" in 1948-49, the fact is, that when the "main" estimates this year and next are compared, there is a difference of only $11 millions. Estimated expenditures (exclusive of loans and investment) is presently billed for $1,985 millions against a corresponding figure a year ago of $1,996.

"Uncontrollable" Expenditures

As in the case of all governments since the time when anyone seriously concerned themselves with government spending, the usual recourse is made to the plea that expenditures are "uncontrollable." The total of such "uncontrollables" for 1948-49 is put at $1,214 millions or 61 per cent of the total.

But the main lines of government spending are clear enough, whether or not we, as taxpayers or through our parliamentary representatives, can or cannot "control" them. The broad grouping of the proposed $2 billions outlay is as follows:

	1948-49 $ millions	% 1948-49	% 1947-48
Interest charges	446.5	22.3	22.7
Payments to veterans (incl. pensions of World War 1)	282.7	14.1	18.2
Family allowances	268.7	13.4	13.1
Armed Forces	252.4	12.6	12.2
Payments to provinces (old age pensions, subsidies, tax agreements, etc.)	163.1	8.2	6.2
Other "benefits" payments (housing, jobless insurance, food subsidies, training, etc.)	153.5	7.7	9.7
All other departmental costs and payments	434.0	21.7	17.9
	$1,985.0	100.0	100.0

In another column the main highlights of presently estimated 1948-49 expenditure are set out. In each case the adjoining column for 1947-48 shows total estimated spending for the present fiscal year. It is never possible to put new estimates alongside what was actually spent in the previous year. We won't know the final figures on that until the government accounts are published either next fall or the following spring.

Some commentary on the important changes as now anticipated is in order:

Finance is expected to spend $27 millions less than last year but its over-all figure of $603 millions (which includes interest on public debt of $446 millions) makes it by far the most important channel for outgo of public funds. Subsidy costs administered by WPTB through the Commodity Prices Stabilization Corp are slated to be only $18 millions against $40 millions a year ago. The seven tax agreements already consummated are put down for $81 millions against payments under the wartime agreement last year of $62 millions. If either Ontario and Quebec were to decide to enter the tax agreement this item would substantially increase.

Health and Welfare: Family allowances charges are creeping up. They started at a flat $250 millions but are now nearing the $270 mark. The main increase in these estimates is a jump of $17 millions in pension costs due to new and more liberal schedules announced last year. The 1948-49 estimate is $65 millions.

Veterans: There is a 22.5% drop in estimated costs for next year but the total of $282.7 millions is still about half the total of all governmental costs, pre-war. Pension payments to veterans of both wars now total almost $80 millions. There is $106 millions allocated for rehabilitation benefits, re-establishments credits and gratuities—a drop of $75 millions from the same item a year ago. Hospitals and medical treatment are still costing over $50 millions yearly.

Armed Services: The accounting practices of this branch of government service are hard to follow. Actually the three services expect to spend in cash $232 millions in 1948-49, against $244 millions budgeted a year ago. But the services have two important hedges against that expenditure. In the newly published accounts they have asked for a "commitment' by the government for an extra $48 millions of which they may have to spend $20 millions in the coming year. The remaining $28 millions is described against "commitments against future years." This appears for the second time in the public accounts as a possible hedge against commitments which might be started this year but which would not involve cash outlay until later on.

Figures to show how these expenditures are split as between the services, are shown in the adjoining column. Another important breakdown prepared by The Financial Post from the new accounts shows the split-up as between pay and allowances, stores, property account, etc.:

	1948-49 (in millions of dollars)	1947-48
1. Pay and Allowances	85.0	88.1
2. Civil wages & Salaries	24.9	24.5
3. Stores, equipment, food, Sundries	61.8	68.7
4. Property, maintenance, repairs, etc.	39.7	27.0
5. Travel, Transportation, etc.	12.0	14.4
	223.4	222.7

It will be seen that these five groupings account for almost the entire named appropriations and commitments for 1948-49—namely $227 millions for the three services (exclusive of defense research, pensions, etc.)

The new estimates contain a new item of $1.1 millions for the newly-constituted Royal Military College at Kingston. They also include a new section of the Air Force called "Search and Rescue (including navigational aid)" for which $5 millions is asked.

Reconstruction & Supply: The chief remaining item here is housing and emergency shelter. Wartime Housing is down for a new vote of $50 millions this year against $52.5 millions a year ago. Estimated cost of the steel subsidy is down from $15 millions to $5 millions. Jet research and development is lower at $2 millions against an estimated $4.5 millions a year ago. Costs of both the National Research Council and the Atomic Energy Control Board are higher.

Post Office: Breakdown of the total vote shows $18.4 millions for air and land mail services against $17.5 millions a year ago. Of this total $12 millions goes for "land conveyance"—chiefly rural mail delivery. The $6.2 millions allocated for air mail is slightly lower than the corresponding amount last year. Bulk of the total vote ($33 millions) is for Post Offices.

Transport: There is a sharp increase in estimated costs of airway and air services (up from $16.3 to $27.8 millions). The main item of $11.1 millions is for construction and improvement of airways and airports in the civil aviation division. Meteorological services are down for $4.7 millions against $4.2 millions a year ago. There is an item for $500,000 for construction and subsidy at Steep Rock Mines. The same item a year ago was $400,000. Expenditure on marine and canal services is up about $3 millions.

Public Works: The postwar program hasn't really got into its stride but is creeping higher at about $60 millions. Most of the increase over 1947-48 could be accounted for by an increase of $3 millions (to $16.6 millions) in the cost of maintenance and operation of public buildings and grounds in Ottawa and elsewhere.

Labor: There is a sharp increase of $4.5 millions in the government's contribution to the unemployment insurance fund—presumably in anticipation of higher rates as called for in a projected federal bill. The cost of administering this branch of the service (which is in fact a federal job-finding agency) is now considerably greater ($18.5 millions) than the contributions to the fund.

Mines & Resources: Anticipated cost of national parks, Indian affairs and immigration are all above last year.

National Revenue: The important change is the large anticipated cost of income tax collection. The new figure of $25.4 millions (up nearly $6 millions) is largely for district offices which are expected to cost $21.9 millions against $14.7 millions last year.

National Harbors Board: There is a jump here of more than $4.5 millions due to two items: reconstruction and capital expenditure of $2.6 millions at Halifax and $2 millions for the same purpose at Saint John.

How Ottawa Plans To Spend Your Money in 1948-49

(In Millions of Dollars)

	Main Est. 1948-49	Main & Supp. Estimates 1947-48
Finance (Depart. of):		
Interest Charges	446.5	454.7
Debt and Other Chs.	9.2	10.2
Payments to Provinces:		
Subsidies	17.1	14.4
Tax Agreements	81.0	62.1
Commodity Prices Stabilizat'n Corp.	18.0	40.0
WPTB	4.0	6.9
Comp. of the Treas.	10.0	8.7
Civil Service Pay Boost Fund	10.0	5.5
Other Costs	7.9	28.1
	603.7	630.6
Health and Welfare:		
Family Allowances (incl. admin.)	268.7	261.9
Ald Age and Blind Pensions	65.0	48.3
Medical Services, Indians & Eskim.	7.2	5.1
Other Costs	4.8	4.7
	345.7	320.0
Veterans:		
Rehabilitation Benefits and Services	51.7	100.6
Re-establish. Credits	55.0	70.0
Hospitals, Medical Treatment, etc.	52.3	58.5
Pensions: W. War I	36.8	37.6
W. War II	42.6	42.6
Allowances	18.1	14.5
Gratuities	4.5	10.0
Soldier Settlement & V.L.A.†	9.1	12.8
Other Costs	11.9	17.8
	282.7	364.4
Armed Forces:		
Navy	49.7	49.2
Army	95.2	101.9
Air Force	80.0	72.5
Defense Research	16.0	13.0
Pensions	9.1	4.0
Other Costs	2.4	3.4
	252.4*	244.0
Labor:		
Unemployment Insurance:		
Admin. Costs	18.5	19.2
Gov't Contribut'n	17.0	12.5
Vocational Training	9.1	11.6
Other Costs	3.9	7.5
	48.5	50.8
Reconstruction and Supply:		
Housing, Emergency Shelter	53.9	57.0
National Research Council	7.4	6.5
Atomic Energy Control Board	6.0	5.8
Steel Subsidy	5.0	15.0
Coal Subsidy	4.9	4.9
Canadian Arsenals, Ltd.	2.9	3.0
Jet Research and Development	2.0	4.5
Other Costs	2.7	17.1
	84.8	113.8
Post Office	71.5	69.8
Agriculture:		
Freight Assistance on Western Grain	7.8	18.0
Premium on Hogs	6.2	6.2
Other Costs	27.8	39.0
	41.8	63.2
Transport:		
Airways & Air Servs.	27.8	16.3
Marine & Canal Ser.	17.1	13.8
R.R. Services & Sub.	10.0	9.9
Other Costs	6.3	16.9
	69.2‡	56.9‡
Public Works (Dept.)	59.9	56.7
Mines and Resources:		
National Parks	7.4	2.4
Indian Affairs	10.0	7.2
Immigration	3.8	3.0
Mines & Forests Srvs.	10.7	6.0
Other Costs	9.1	10.3
	41.0	28.9
National Revenue:		
Tax Collection:		
Customs & Excise	15.9	13.7
Income Tax	25.4	17.0
National Film Board	1.9	2.1
Int. Short Wave Sta.	1.8	1.6
	45.0	34.8
R.C.M.P.	13.3	13.6
Trade & Commerce	12.7	11.4
External Affairs	9.8	33.1°
Fisheries	6.0	5.2
Justice (Dept.)	10.1	9.4
Legislation (H. of C.; Senate, etc.)	3.9	3.9
Civil Service Commis.	1.2	1.2
National Harbor Board	6.1	1.7
Other Departments	5.2	5.3
Total	1,985.1	2,117.0

† Exclusive of $50 millions asked for as a "loan and investment" in 1948-49. The corresponding figure under loans and investments in 1947-48 was $81.5 millions.

* This is the "commitment" asked for in 1948-49. But actual amount of cash sought is $232.4 millions. The difference ($20 millions) represents money which the services "didn't expect to spend" in 1948-49.

‡ Of these amounts $20.9 millions represents capital expenditure in 1948-49; $20.8 millions was capital account in 1947-48.

° Includes $20 millions for post-UNRRA Relief.

Pratt Fears Premature Union

Newfoundland Businessmen Discuss Confederation

Who stands to gain by Confederation — Canada or Newfoundland?

How would the Island's cost of living — and standard of living — be affected? What would happen to her export markets?

Forthright discussion of the confederation topic was given in Toronto this week by C. C. Pratt, past president of the Newfoundland Board of Trade and president of the Newfoundland Industrial Development Board. Mr. Pratt is president of Steer's Ltd., St. John's and is engaged in many other businesses on the island. Here is a digest of his address:

By C. C. PRATT

Can the fusion of the political and economic life of the two countries be brought about to the advantage of both peoples?

The answer from the point of view of Newfoundland is not simple. The issues involved are of immeasurably more consequence to us than to Canadians living in your wide expanses. It is with that thought I ask for the most sympathetic and the fullest understanding of the problems of Newfoundlanders.

Their contribution to Canada through your financial and commercial institutions is extremely considerable.

Their Island home as an outpost of your defence is of growing significance.

It will be regrettable and embarrassing from the point of view of both Newfoundland and Canada, if a decision either favorable or adverse to Confederation, is made prematurely. There is a great danger of that at the moment. As a matter of simple prudence, both countries should have first made an exhaustive and combined study of the economic and political implications to be followed by negotiations before formal terms became a controversial issue in our country. May I say here that contrary to the general impression in Canada, there is just as much division of opinion on this issue amongst the business community as in any other section of the population.

Only in times of crises do people's minds run toward drastic political changes. That happened in 1895 and again in 1934 when, caught in the throes of world depression, Newfoundland discarded, without any substantial public protest, their long record of responsible government.

At present there is no economic crisis. In fact, the island's political crisis arises out of the fact that her finances are in very good shape and the time has come for a review of our system of Government.

Island's Improved Finances

In the statement of Prime Minister King of Canada, when the terms were presented, there was an inference that the provisions would impose a large financial burden on Canada. There is room for a difference of opinion on that point. It is true, of course, that no one can foresee the future. It is felt, however, that there is no reason to assume that Newfoundland would be under greater pressure, relatively, in maintaining its present level of economy than Canada.

The Newfoundland of today is vastly different from the Newfoundland of the previous decade. In commerce as well as in public finance we are much sounder fundamentally.

Our combined import and export trade increased from $56 millions in 1938, to a peak of around $150 millions in 1947. Our imports have been subject to a higher degree of inflationary values than exports. Our fish export prices have varied only slightly in several years.

Newfoundland is one of the few countries which has not increased its public debt during the period of war. From a total indebtedness in 1933 of about $100 millions, the present sterling indebtedness is around $63 millions, plus an internal debt of $6 millions. These figures are after deduction of sinking fund provisions.

In the proposed arrangements for union, the Government of Canada stipulated that the internal debt would remain an obligation of the province.

The sterling debt Canada offered to absorb. In doing so, however, it employed these words: "This, in the opinion of the Canadian Government, represents a fair estimate of the amount of debt incurred for purposes which would presumably have been the responsibility of the Government of Canada had Newfoundland been a province of Canada when the debt was incurred.

I leave with you the thought that our indebtedness is not of the importance which the language employed fairly conveys.

The improvement in public indebtedness is further enhanced by an accumulated surplus of about $28 millions (which was earmarked for reconstruction) and an interest-free loan to Great Britain of about $9 millions.

Since 1933 Newfoundland's net debt has been reduced by about 30%, to approximately $230 per capita, as compared with Canada's debt of approximately $1,300 per capita. The interest paid by Newfoundland is 8% on the tax revenue, while for the Federal Government I understand it is about 15%.

Changes in Economic Structure

Previously our fishing industry was thought of, almost entirely, in terms of salted codfish. During the past few years, however, substantial progress of a permanent character has been made in diversifying our fisheries.

Fifteen cold storage and filleting plants have been established, with storage capacity of 10 million lbs. Modern methods of production and processing have been introduced and more of our product is carried in our own ships. Plants and other facilities have been established for meal and oil production, whaling and sealing and substantial provision of upward of $10 millions, mostly local capital.

Our country's proximity to one of the most prolific fishing areas in the world provides immense possibilities for modern development which is now underway. One of the world's most essential foods can be landed in shorter time and therefore in fresher condition in Newfoundland than in other countries where intensive fishing, over the years, has caused considerable depletion of nearby waters. No visible depletion has taken place in Newfoundland's fishing areas.

Heavy investment is now being made in the extension and diversification of forestry industries. Wages paid by two pulp and paper manufacturing companies last year was $23.7 millions. The equivalent of a new industry of first class importance was the establishment of U. S. bases on the island. At the end of 1947, the number of Newfoundlanders employed was 3,957 and their wages for the year were $8,121,000. Impending developments in Labrador are causing our people to visualize new opportunities there in minerals and forestry.

In the past seven years the savings deposits in the banks have increased by $50 millions. The amount of life insurance carried was increased in that period by $42 millions. The net value of policies was increased by $10 millions. These are significant figures for a population of 320,000.

Federal Tax Collections

The inference is conveyed in the presentation of terms that Canada would be undertaking a heavy financial burden in admitting Newfoundland as a province. The Canadian estimate of ordinary Federal Revenue and expenditure reveals an anticipated deficit of between $6 and $7 millions. This is apart from a transitional grant, debt servicing and capital expenditure.

The estimates appear to ignore the Federal taxes to be collected in other Provinces on our enforced purchases in Canada of goods which had been made locally or imported from other countries.

Tobacco taxes, in the Canadian terms are expected to yield to the Federal revenue $500,000. A Newfoundland factory paid excise taxes of $1.2 millions at a considerably lower scale than yours. Our importations of tobacco, chiefly from the United States were heavy. It is apparently anticipated that these importations and a percentage of the locally manufactured article will be distributed to Canadian manufacturers. At the Canadian scale of excise taxation, and on present consumption, we would turn in to the Federal revenue about $3 millions, and not $500,000 as estimated.

In the estimate of federal revenue, liquor taxes are set down at $400,000. On the face of it, it would almost appear that it is intended for Newfoundlanders to celebrate Confederation with tax-free liquor. Newfoundland now receives Customs duties and excise taxes on this item of $1.6 millions. Your scale, however, is much higher. At present consumption and Canadian federal rates we would be required to pay officials who placed the estimate $3,250,000 in taxes to the Dominion of Canada on our drinks. Your officials who placed the estimate of $400,000 probably expected a complete diversion of this trade to other parts of Canada and a collection of taxes elesewhere than in Newfoundland. They apparently need to learn something of our fishermen if they expect a switch from Demerara rum to Canadian rye.

Canadian Customs duties and import taxes, it is estimated in the Canadian terms, will yield $2 millions. A country that, except for recent interruptions, has been purchasing the greater part of its dutiable goods from countries other than Canada, will retain many of its preferences for classes and brands of goods for a long time. Many persons experienced in local trade feel that the contribution under this heading would be at least doubled or trebled.

It may be expected that with a correct appraisal of Newfoundland's contribution it would be found that the gap between federal receipts and expenditures as detailed may well be closed and perhaps something left to swing in Canada's favor.

Provincial Services

Education, public health, roads, law enforcement and other services which in this country constitute Provincial and Municipal responsibilities are financed by Central government in Newfoundland.

Educational and public health facilities have been vastly improved in recent years. These two items alone are now costing over $9 millions.

Apart from the city of St. John's, which owes $2.5 millions, we have no municipal debt or taxes. By comparison the nearest Maritime province, Nova Scotia, has 69 points of local taxation with an annual per capita tax of $17.

The adoption of the taxation structure of the Maritime Provinces to Newfoundland is particularly difficult. Some of their main sources of revenue, such as taxes on motor vehicles, gasoline, liquor, etc., which are made particularly valuable by their high roads and tourist traffic, have not the same significance for us. It does not seem that we could share to the full the enjoyment of the Maritimes in their taxation position.

It should be noted, however, that the Federal Government has anticipated a Provincial deficit and made a partial provision by a transitional grant of $3.5 millions per year for three years, diminishing 10% yearly thereafter.

Where Newfoundland Sells

There are many economic factors involved in the issue of Confederation which are naturally not known to the Canadian public.

In the first place, Canada is not a natural market for our products. You, yourselves, are exporters of most of the goods we produce. The United States is our greatest market. Incidentally, it is our nearest neighbor. American citizens live under the American flag in our own land. Last year we sent 38% of our total exports to the U. S. A. and Puerto Rico, besides a substantial percentage to other countries for payment in American funds, of which we contribute a surplus to your Foreign Exchange Board. The percentage of our exports to the United States is increasing. Canada takes only 12% of our exports.

Newfoundland exports to 50 countries of the world, which, of course, adds to our trading difficulties at this time. For many years we have shipped our salted codfish to our major European markets under British trade agreements. There have been periods when Canadian fish was practically banned from certain of these markets because of lack of reciprocal trade. Canada's purchases from two of our key fish markets, Portugal and Spain, from 1939 to 1945, averaged only $1.5 millions per year for each country. Italy has bought our fish practically without interruption, except during war time, but there have been periods when Canadian fish was kept out by an insignificant quota.

In these days of Marshall Plans, inconvertible sterling and loans to buy one's own goods, Newfoundland is wondering where it will fit in all this confusion. Newfoundland people feel conversations between Canada, Great Britain and Newfoundland should be held on these matters before Confederation is consummated.

The Cost of Living

A subject of intense interest is the bearing Confederation would have on the cost of living. The Confederation movement is particularly well timed to make a popular appeal in this respect. On the other hand, it is a poor time to pass a fair judgment.

While before the war we benefited to a great extent by buying in the cheapest markets and had a further advantage in price by being an export market of Canada, the war threw our buying position in reverse. We were obliged to pay Canadian uncontrolled export prices. Canada, in times of scarcity, was liberal in its quotas to Newfoundland but I cannot praise its generosity in its export price levels. Our thought was that because of your high uncontrolled export prices we were subsidizing Canadian subsidies. To use a common expression employed, we were "put through the wringer."

The scarcity of goods still keeps some of your export prices high in relation to our domestic values.

On the day Canada signed its wheat agreement with Great Britain, you increased your foreign price to the extent of adding

(Continued on page 17)

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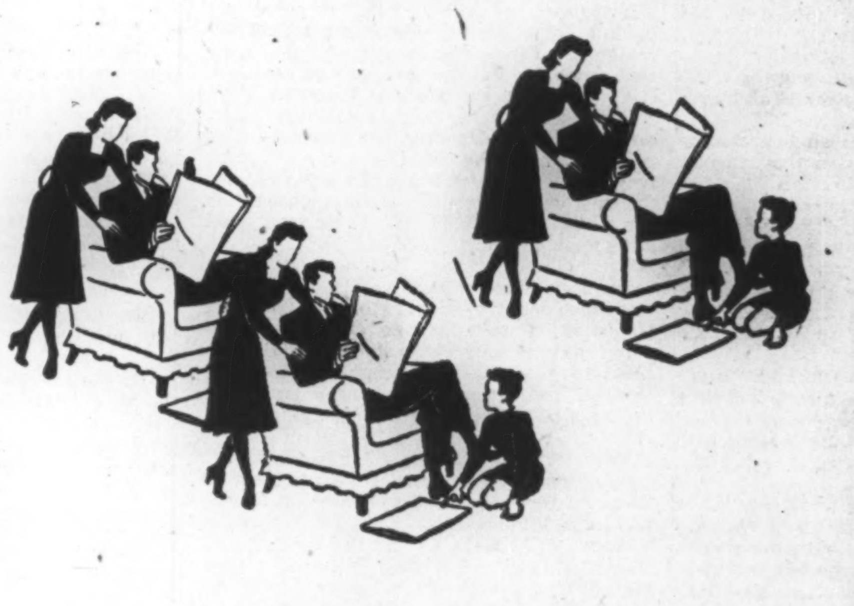

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Shawinigan Firm Power Peak Load Increased 11%

MONTREAL (Staff) — Further reductions in electric power rates are not possible under present conditions, Shawinigan Water & Power Co. President James Wilson told shareholders at last week's 50th annual meeting. Costs of producing, transmitting and delivering electric energy have increased greatly, he said, adding that the average price per kilowatt-hour received for all energy sold by Shawinigan is lower than that of any comparable system on the continent.

Sales of the subsidiary Shawinigan Chemicals during 1947 were up 16% from the previous year. Earnings from manufacturing were $1.6 millions and income from royalties and subsidiaries amounted to $734,562. This resulted in a net profit for Chemicals of $1.3 millions and dividends at the rate of $2.50 a share or a total of $703,188 were paid to the parent company. Capital expenditures of the Chemicals Co. during 1947 totalled $1.4 millions used to construct new plants and additions to existing plants. It is expected that the current capital expenditure program can be financed by the Chemicals Co. out of present funds and earnings. Products are marketed in Canada, United States, United Kingdom and some 56 other countries.

Total output of power by Shawinigan in 1947 including power purchased was 6,886,491,000 kilowatt-hours (7,187,324,000 in 1946). Firm power peak load on the system, however, was 11% greater than in the previous year. Sales of firm power under contract also increased about 10%, Mr. Wilson said. During the year the retail distribution system was extended and 734 miles of new lines were placed in service. Retail sales now produce about 27% of the total power revenue of the company.

The president again referred to the company's expansion program, which calls for expenditures of $40 millions from 1947-49. A total of $10.8 millions was spent in 1947 on capital account; $4.4 millions for the new generating station at Shawinigan Falls; $5 millions for extensions to the distribution and transmission systems and the remainder for various additions to the plant and equipment. Included in the program are: completion of the 195,000 h.p. generating station at Shawinigan Falls, preliminary construction work on the Trenche development on the upper St. Maurice River and further extensions to the system. Mr. Wilson stated that Shawinigan has power resources which will permit development of over one million horsepower at five power sites. The first will be the 348,000 hp Trenche development, scheduled to come into production in 1951. Flood damages will be negligible and construction conditions are favorable in this area since all the power sites are in unsettled territory, Mr. Wilson said.

The company is now serving directly 138,275 customers located in 539 municipalities in Quebec. Also, there are more than 20,000 shareholders, about 60% of which live in the province, and more than half owns 25 shares or less.

Pratt Fears Premature Step

(Continued from page 16)

$1 million to the cost of Newfoundland's yearly supply of flour. Recent purchases on the basis of the world's market price for wheat have cost Newfoundland at the rate of $3 millions per year over your domestic price.

Without question, under Confederation our cost of living at the present time would be reduced. To what extent it would be lessened under conditions of ample supply in foreign markets it is difficult to determine. It is evident that a very considerable portion of our presently collected duties would be offset if your present scale of customs duties, excise and sales taxes remained in force and Newfoundland, under normal conditions of trade, was a domestic rather than an export market of Canada. This is one of the subjects many Newfoundlanders feel must be investigated.

Customs Duties and Taxes

Newfoundland has no sales taxes. Excise taxes apply only to tobacco, liquor and margarine, the latter being temporarily suspended. A Board of Inquiry into the cost of living in Newfoundland recently reported that the Customs duty on food items entering into the cost of living index averaged 4.5%. On clothing, in a similar category, the average was 16.7%. The items referred to relate to bare existence only. Rates of duty grade upward on wider purchases of family requirements.

In the low income brackets Newfoundland's direct taxation is much lower than yours. In the case of families, your family allowance exemption offers taxation relief up to the point where our tax commences. At the $5,000 level our scale is 40% less. As incomes increase the difference narrows until $35,000 is reached and above that the Newfoundland scale is higher. Newfoundland Corporation income taxes are practically identical with Canadian.

Prominent features in discussions in Newfoundland on Confederation are family allowances and your higher scale of old age pensions. These, and other social security benefits naturally make a strong appeal. They undoubtedly reflect ability to spread such benefits over a wider and more diversified economy than Newfoundland at present enjoys.

Industry and Tariffs

Another factor bearing on this issue is the position of our local manufacturing industries protected by the country's revenue tariff. There are about 2,500 employees, mostly in the St. John's area. These industries pay yearly around $5.5 millions for wages and materials of local production.

They operate, however, in a very limited field of domestic needs. Not all, but some of them, would be in a precarious position without a tariff, as would be many of your industries in the event of free trade with the United States.

I see nothing in the Confederation terms which recognizes the opening of a duty free market of 320,000 consumers for Canadian products.

In the years 1936 to 1940 Newfoundland purchased from Canada 36.9% of its importations and the greater part was agricultural and dairy products, incidentally carrying relatively small customs duties. It paid our country in those years to go farther afield for 63.1% of its requirements.

Largely because of abnormal conditions of world trade and in particular inflationary conditions presently prevailing in the United States, Canada is now in a favored position. In 1947 our imports from your country amounted to $55 millions. We were your seventh most important market. We did not pay from Canadian loans, but paid cash.

The very efficient representatives of your Foreign Trade Service in Newfoundland greatly helped your trade. It is generally recognized that they not only serve Canada well but they also render a valuable service to our country.

Undoubtedly there are certain advantages in union with a larger entity. No one with a true perspective and an impartial mind can avoid seeing a measure of safety in facing present world uncertainties in association with some stronger neighbor.

It is to be expected that a country which has fought its own way for generations requires special treatment for a considerable time to adapt itself to new conditions. Your Provinces in the East have had 80 years to grow into the Federal system.

I believe Newfoundland has more to offer Canada than is realized in this country and further, the financial yardstick of public accounts does not provide a full measurement.

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The Chronotherm can be used with any type of controlled heating, any fuel, and any make of controls. Remember, when you buy the Chronotherm, you invest in new comfort and real savings. See the Chronotherm at your local automatic heating company.

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LEASIDE, TORONTO, 17 ONTARIO

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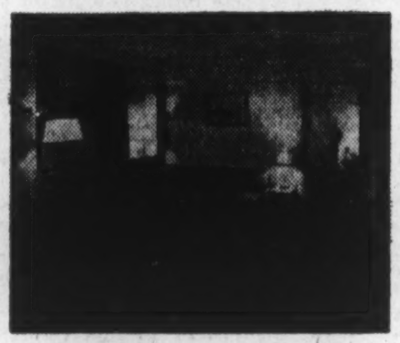

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- In Heart of Shopping District
- Convertible Suites
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Facilities include formal dining room, restaurant, snackbar, complete room service, and two cocktail lounges.

J. GORDON McMICHAEL — GENERAL MANAGER

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Information on Request

Operated by

ELGIN MANAGEMENT LIMITED

Lord Elgin, OTTAWA

Lord Beaverbrook, FREDERICTON (Open May 1st)

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 262

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1948. The dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of May, 1948, to shareholders of record of the 15th April, 1948.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 11th March, 1948.

LAURENTIDE ACCEPTANCE CORPORATION LTD.

The 34th regular quarterly dividend of One and a quarter per cent (1¼%) has been declared on the oustanding preferred stock of the corporation, payable on April 30, 1948, to shareholders of record at the close of business April 15, 1948.

LUCIEN ROUX,
Secretary-Treasurer.

SHEEP CREEK GOLD MINES LIMITED

(Non-Personal Liability)

NOTICE OF DIVIDEND NO. 43

Notice is hereby given that an Interim Dividend of one and one-half cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of April, 1948, to shareholders of record at the close of business on the 31st day of March, 1948.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, or at their office, 455 St. John Street, Montreal, P.Q., on or before 31st March next.

By Order of the Board.

JAMES ANDERSON & CO. LTD.,
Secretary.

Vancouver, B.C.,
March 15, 1948.

GENERAL STEEL WARES LIMITED

PREFERRED DIVIDEND

Notice is hereby given that a dividend of ONE DOLLAR AND TWENTY-FIVE CENTS ($1.25) per share has been declared for the quarter ending April 30th, 1948, on the outstanding preferred stock of this Company, payable May 1st, 1948, to shareholders of record April 2nd, 1948.

By Order of the Board.

FRANK S. BROPHY,
Secretary.

Montreal, March 16th, 1948.

GENERAL STEEL WARES LIMITED

COMMON DIVIDEND

Notice is hereby given that a dividend of TWENTY CENTS (20c) per share has been declared for the quarter ending April 30th, 1948, on the outstanding Common Stock of this Company, payable May 15th, 1948, to shareholders of record April 16th, 1948.

By Order of the Board.

FRANK S. BROPHY,
Secretary.

Montreal, March 16th, 1948.

Prudential Trust Company Limited

Notice is hereby given that a dividend of 5% on the $10.00 par value Capital Stock of Prudential Trust Company Limited has been declared payable on the 1st May, 1948, to shareholders of record at the close of business on March 31st, 1948.

By order of the Board,

ALFRED HALL,
Secretary.

Guaranty Trust

Company of Canada

51ST CONSECUTIVE DIVIDEND

NOTICE is hereby given that a dividend of 1¼%, being at the rate of 5% per annum on the paid-in capital stock of the Company, has been declared for the quarter year ending March 31st, 1948, payable April 15th, 1948, to shareholders of record at the close of business March 31st, 1948.

By order of the Board

J. WILSON BERRY,
President & General Manager

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of thirty cents (30c) per share has been declared on the no par value common shares of the Company for the quarter ending March 31, 1948, payable May 25, to shareholders of record April 15, 1948.

By Order of the Board.

H. G. BUDDEN,
Secretary.

Montreal, March 18, 1948.

DIVIDEND NOTICES

The Canadian Bank of Commerce

DIVIDEND NO. 245

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 30th April, 1948 and that the same will be payable at the Bank and its Branches on and after Saturday, the First day of MAY next, to Shareholders of record at the close of business on 31st March, 1948. The Transfer Books will not be closed.

By Order of the Board,

JAMES STEWART,
General Manager.

Toronto, 12th March, 1948.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable March 15th, 1948, to shareholders of record at close of business March 5th, 1948.

(Signed) W. S. BARBER,
Secretary-Treasurer.

DOMINION COAL COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that subject to obtaining the approval of the Foreign Exchange Control Board of Canada a dividend of 75 cents per share on the outstanding 6% Cumulative Sinking Fund Preferred Stock of this Company has been declared payable on 30th April, 1948, to shareholders of record at the close of business on 29th March, 1948, said dividend being the regular quarterly dividend of 38 cents per share for the quarterly period ending March 31st, 1948, plus a payment of 37 cents per share on account of arrears of accumulated dividends on such Preferred Stock.

By Order of the Board,

R. C. McDONALD,
Secretary.

Montreal, P.Q.,
March 19th, 1948.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1948.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of May to Shareholders of record of the 1st day of April, 1948.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of May to Shareholders of record of the 15th day of April, 1948.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal,
March 22, 1948.

ANGLO-CANADIAN TELEPHONE COMPANY

Preferred Dividend Notice

NOTICE is hereby given that a dividend of One and One-Eighth percent (1⅛%) has been declared on the 4½% Cumulative Preferred Stock of the Company for the quarter ending April 30, 1948, payable May 1, 1948, to Stockholders of record at the close of business on April 9, 1948.

By Order of the Board,

CAMERON HOUGH,
Secretary.

Montreal, March 4, 1948.

Canada Steamship Lines Limited

A dividend of fifty cents per share on the no par value common shares of Canada Steamship Lines Limited, covering the six months period ended December 31, 1947, was declared payable April 15, 1948, to shareholders of record, March 25, 1948.

Dated at Montreal, this 22nd day of March, 1948.

R. B. THOMSON,
Secretary.

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 47

Notice is hereby given that an interim dividend of three cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Wednesday, April 28th, 1948, to shareholders of record at the close of business on Wednesday, March 31st, 1948.

By Order of the Board.

G. A. CAVIN,
Secretary-Treasurer.

Toronto, Ontario,
March 18, 1948.

STANLEY BROCK LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of 15 cents per share on the outstanding Class A Shares of the Company and 10 cents per share on the outstanding Class B Shares of the Company has been declared payable May 1st, 1948, to shareholders of record April 10, 1948.

By Order of the Board.

W. H. BUSBY,
Treasurer.

March 15, 1948.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1948.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1948.

The above Dividends will be paid on Thursday, the 15th day of April, 1948, to shareholders of record at the close of business Monday, the 29th day of March, 1948.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 26th February, 1948.

Coarse Grains Plentiful End Export Ban, is Demand

Special Correspondence

WINNIPEG — Comparatively little interest was aroused in grain circles here by the House of Commons furore on amendments to the Wheat Board Act, authorizing the Government to put oats and barley under control of the Board.

Whether this authority will be invoked for the marketing of the 1948 crop, is uncertain. Presumably it will not be, if there is evidence that a considerable percentage of western producers will object, or if the Prairie legislatures do not pass complementary legislation.

So far as farmers are concerned, a fairly vigorous movement of protest appears to be on foot, in the form of letters to members of Parliament and of legislatures. In addition, the Manitoba Farmers' Protective Association appears to be spreading its organization, which has invaded Saskatchewan.

Fear Eastern Pressure

Objections to the change are based on the theory that it will be dangerous to the interests of western producers to have prices of oats and barley for domestic consumption established by the Government, because of inevitable pressure from feeders in Eastern Canada, to keep prices low. Barley producers fear that Wheat Board handling of coarse grains would mean perpetuation of the present situation under which malting barley is not allowed to be exported to the United States, although a good demand at high prices exists there.

The principal interest of the trade in Winnipeg, at the moment, is as to whether the present embargo on the export of oats and barley will be relaxed during the current crop year. If not, predictions are freely made that prices of these grains will be driven down to the price support levels at which the Government is committed to buying these grains, 61⅛ cents for No. 1 feed oats and 90 cents for No. 1 feed barley.

Dealers insist that it has been established that a surplus of both oats and barley exists in Canada, which cannot be absorbed by domestic demand. Earlier in the season it was taken for granted that if this proved to be the case, there would be no government hesitation in permitting exports. Lately, however, a good deal of apprehension has developed lest the embargo be continued indefinitely.

Seeking to Liquidate

Moved by that fear, holders of oats and barley have been trying to liquidate, in hope of cutting losses. The pressure on the market has come from such sources, and not from farm deliveries. The latter have been extremely light for several weeks; plugged roads or the inaccessibility of farm granaries from snow conditions has precluded the hauling of more than minimum quantities of grain.

Trade and Commerce Minister Howe has given assurance in Parliament that the present guaranteed minimum prices for oats and barley will continue during the next crop year, whether or not compulsory marketing of oats and barley through the Wheat Board is established. If prices should drop to the support level and remain there, the Government, through the Wheat Board, would be in the coarse grains business even without proclamation of the new legislation.

Two things could prevent such a decline. One would be a short production of oats and barley in 1948, both in eastern Canada and in the west, so as to leave a deficiency of feed grains for Canadian needs. Under such conditions, prices might rise considerably above those now prevailing, which are at bargain levels in relation to the feed value of grain and present livestock prices. The other would be a production of oats and barley sufficiently large to ensure that the export embargo would be removed.

The present relationship between prices for wheat and for coarse grains, will probably encourage a maximum seeding of wheat this spring in the west, and curtail acreage seeded to oats and barley. A certain minimum acreage is bound to be seeded to coarse grains, in order to correspond with sound farming practice, quite apart from current or prospective price relationships.

DIVIDEND NOTICES

THE BANK OF NOVA SCOTIA

Dividend No. 314

Notice is hereby given that a Dividend of thirty cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of 15th April, 1948, and that the same will be payable on and after Saturday, the first day of May next, at any of the offices of the Bank in Canada.

By Order of the Board.

H. L. ENMAN,
General Manager.

Halifax, N.S., 16th March, 1948.

BATHURST POWER & PAPER CO. LTD.

Notice of Dividend on Class "A" Shares

The Board of Directors has to-day declared a quarterly dividend of Thirty-seven and one-half cents (37½c) per share on the outstanding Class "A" shares of this Company, payable on the 1st day of June, 1948, to shareholders of record at the close of business on the 4th day of May, 1948.

H. J. WEBB,
Vice-President and Treasurer.

March 22nd, 1948.

NOTICE

ANNUAL GENERAL MEETING

Notice is hereby given, that the Annual General Meeting of the Shareholders of Frank W. Horner Limited, will be held at the office of the Company, 950 St. Urbain Street, Montreal, Quebec, on Tuesday the thirtieth day of March 1948 at the hour of three o'clock in the afternoon.

By order of the Board,

W. W. GRAHAM,
Secretary-Treasurer.

OLE BERG, JR.

former vice-president and manager of general sales for the Union Oil Co. of California, has been appointed vice-president and assistant to the president of British American Oil Co.

Dist. Seagrams Six Month Profit Shows 20% Rise

Net profit of Distillers Corp.-Seagrams for the six months ended Jan. 31, 1948 was $38,398,579 ($31,834,858 for the same period a year earlier). This works out to earnings of $4.38 and $3.60 a common share respectively (based on common shares outstanding). Net profit for the three months ended Jan. 31, 1948, was $19,269,993 ($16,292,519).

The accounts are subject to year end finalizing of last-in-first-out inventory accounting and other adjustments. On Aug. 13, 1947, there was a change in accounting method, in that whisky and spirits purchased since that date by a subsidiary in the United States and remaining on hand Jan. 31, 1948, were not subject to "last-in-first-out" inventory accounting. If they had, the net profits, after taxes, would have been reduced by approximately $5 millions in the January, 1948, three-month period and $8 millions in the six-month period, it is stated.

	—Six Months Ended— Jan. 31, 1948	Jan. 31, 1947
Profit after all charges	$65,401,275	$53,718,952
Less: Inc. & EPT	27,002,696	21,884,094
Net profit	38,398,579	31,834,858

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WAITE AMULET MINES realized a net profit of $3,784,059 or $1.15 a share in 1947. If Amulet Dufault Mines earnings are consolidated, net equalled $1.28 a share.

Working capital showed an increase of over $1.2 millions to $7,682,883 after payment of 90 cents a share in dividends. On a consolidated basis, working capital is approximately $1 million higher.

While no new ore was found in exploratory drilling at surface and underground, exploratory drifts were started north, west and south from the Amulet Dufault workings. The north drift is being driven jointly with Lake Dufault along the common boundary. Ground below on either side of these drifts is to be explored by drilling.

Amulet Dufault ore reserves were reduced by tonnage milled (290,459 tons) but 61,991 tons of ore was found in the Waite Amulet section.

A special reserve for taxes, of $475,000 has been transferred to surplus as a result of a favorable ruling on 1940 excess profits tax liability.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Metal recov.‡	$2,125,494	$1,379,405
Less: Oper. costs	966,912	829,014
Net earnings	1,158,582	550,391
Less: Deprec.	68,394	48,827
Tax prov.	267,379	161,226
Legal fees	1,750	1,783
Directors' fees	7,000	7,000
Add: Subs. divd.	2,970,000	1,980,000
Net profit	3,784,059	2,311,555
Less: Dividends	2,970,000	2,310,000
Surplus for year	814,059	1,555
‡Including miscellaneous income.		
Earnings per Share		
Earned	$1.15	$0.70
Paid	0.90	0.70

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$1,233,210	$989,515
Bonds & shares*	5,856,944	5,218,351
Accts. rec.	84,969	66,724
Metal due & in hd.	1,190,552	546,581
Stores§	383,025	444,604
Total curr. assets	8,748,700	7,265,775
Prep. & def. chgs.▲	47,077	146,049
Mining props.	512,764	512,764
Plant & equip.†	392,768	626,814
Total assets	9,701,309	8,551,402
Accts., tax, etc., pay.	341,280	281,000
Am. Dufault Mines	724,537	509,950
Total curr. liab.	1,065,817	790,950
Contin. res.	107,500	94,062
Tax reserve	......	475,000
Capital stock	3,506,374	3,506,374
Earned surplus▲	●5,021,618	3,685,016
*Market value	6,061,128	5,438,125
▲Incl. ref. EPT	34,543	115,000
†After depr. of	2,148,718	1,896,964
§Incl. in deferred assets in co's. report.		
●Incl. $475,000 tax reserve.		
Working capital	7,682,883	6,474,825

OPERATING STATISTICS

	1947	1946
Tons milled	383,950	427,400
Average contents:		
Copper, %	5.75	4.56
Zinc, %	3.41	5.37
Gold, oz.	0.056	0.046
Silver, oz.	1.10	1.17
Ore reserves, tons:		
Waite mine	57,500	99,000
Amulet Dufault	1,707,230	1,997,739

GENERAL STEEL WARES LTD. net profit for 1947 was $872,008, an increase of 18.2% from 1946. Production was kept at a high level and sales increased 19.5% in 1947 although difficulties in securing an adequate amount of raw materials, especially sheet steel, continued during 1947. Ready demand continues for the company's products in both the domestic and export markets, the report states.

Directors have considered it prudent for the present, to retain within the business, profits in excess of current dividend payments, to finance currently increased volume and to provide at least in part for future expansion of plant facilities rather than to seek further capital by public financing or bank loans at this time, the report, which is signed by J. C. Newman, chairman of the board and F. S. Corrigan, president, states.

The appropriation for depreciation of $250,000, considered adequate by directors, may not be fully allowed as a deductible expense by the Income Tax Department and the provision for taxes is sufficient to cover the possible disallowance. Inventories, compared with sales volume, were in the most favorable relation of any peacetime year. Collections of accounts continue excellent.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$2,044,269	$1,688,124
Less: Deprec.	250,000	250,000
Bond int., etc.	41,246	44,896
Inc. tax res.	881,015	655,302
Net profit	872,008	737,926
Less: Pref. divds.	250,000	250,000
Com. divds.	248,703	248,703
Surplus for year	373,305	239,223
Times All Interest Earned:		
Before deprec.	49.56	37.60
After deprec.	43.50	32.03
Earnings per Share and Dividend Record:		
5% preferred	$17.44	$14.76
Paid	5.00	5.00
Common	2.00	1.57
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$325,948	$458,888
Accts. rec.	1,406,765	930,204
Inventories	3,989,004	3,603,874
Total curr. assets	5,721,717	4,992,966
Misc. assets▲	402,522	386,568
Invest. in subs., etc.	6,677	6,568
Fixed assets	12,049,144	11,834,467
Total assets	18,180,060	17,220,569
Total curr. liab.	1,599,995	1,099,573
Funded debt	1,350,000	1,500,000
Depreciation res.	7,491,369	7,255,605
Capital stock	6,111,014	6,111,014
Surplus▲	1,627,682	1,254,377
▲Incl. ref. EPT	371,499	371,499
Working capital	4,121,722	3,893,393

STANLEY BROCK LTD., Winnipeg, Man., net profit was $91,119 up slightly from 1946's $89,747. There is a credit to earned surplus of $65,672, being the estimated rebate of excess profits taxes as the result of an award during the year to the parent company of a standard profit of $50,000 from Jan. 1, 1939. This is offset by reduction in the estimated refundable portion of the EPT.

Value of sales for 1947 exceeded the previous high of 1946, but due to a decrease in the volume of sales of certain profitable lines which were in short supply and an increase in other less profitable lines which became more plentiful, the gross profit of the parent company was less in 1947 than in 1946, President Stanley Brock states.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$188,520	$225,344
Less: Depr.	33,682	32,333
Income tax	63,719	103,264
Net profit	91,119	89,747
Less: Cl. A divd.	18,810	14,107
Cl. B divd.	25,080	18,810
Surplus for year	47,229	56,830
Earnings per Share and Dividend Record:		
Class A	$2.91	$2.86
Paid	0.60	0.45
Class B	1.15	1.13
Paid	0.40	0.30

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$36,587	$57,829
Accts., etc., rec.	260,707	204,700
Life ins., c.s.v.	80,314	75,294
Inventories	254,660	158,504
Total curr. assets	632,268	496,327
Prep. exp.§	3,391	4,558
Investments	48,460	65,995
Misc. assets▲	64,075	83,912
Fixed assets*	435,503	438,905
Total assets	1,183,697	1,089,697
Bk. loan & overdraft	90,353	73,784
Accts., tax, etc., pay.	159,026	184,842
Total curr. liabs.	249,379	258,626
Capital stock	209,000	209,000
Earned surplus▲	†725,318	622,071
*After depr. of	597,312	574,004
▲Incl. ref. EPT	38,224	54,401
†Includes $65,672 estimated rebate of taxes.		
§Incl. in curr. assets in co's report.		
Working capital	382,889	237,701

DOMINION MAGNESIUM realized an operating profit of $151,148 in 1947, against a $130,807 operating loss in 1946. After all charges there was a 1947 $18,568 net profit equal to 5 cents a share.

Production during the year was confined to calcium metal, barium, strontium, and high purity magnesium alloys. Anodes for cathodic protection were also produced in substantial quantities. Production of these metals is expected to expand, General Manager J. D. Barrington states.

Additions to plant and facilities amounted to $223,488 in 1947. With expenditures in 1945 and 1946, this more than meets Crown requirements for expenditure of $500,000. Unsettled economic conditions and currency exchange restrictions are stated to have hampered the company in expanding export markets.

A loss of $20,553 was experienced by a subsidiary, Light Alloys, whose production was affected by structural changes made during the year.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Oper. profit	$151,148	●$130,807
Add: Invest. inc.	10,079	24,108
Less: Depr.	86,753	71,130
Mtge. int.	41,109	41,190
Life ins. prem.	2,622	2,330
Pat. exp. amort.	5,456	5,273
Def. dev. w/o	6,719	6,720
Net profit for year	18,568	●233,332
●Loss.		
Earned per share	$0.05	●$0.58
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$720,837	$747,647
Accts. rec.	63,037	85,534
Inventories	538,298	612,536
Total curr. assets	1,321,972	1,445,717
Deferred expense	71,772	87,316
Invest., subsids.	75,000	75,000
Properties (cost)	36,913	36,938
Plant & equip.†	1,758,390	1,620,418
Patents, rights	83,065	84,401
Total assets	3,347,132	3,349,786
Total curr. liab.	162,583	184,690
Mortgage pay.	1,259,314	1,276,298
Capital stock	2,242,505	2,242,505
Less: Deficit	317,270	353,713
†After deprec. of	202,519	117,003
Working capital	1,159,389	1,261,027

Grain Prices

Winnipeg Grain Futures

Week to Mar. 22, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Mar. 22
		Oats			
.95½	.72	May	.79⅞	.75¾	.76½
.95½	.68½	July	.76⅝	.72¾	.73⅝
.82⅞	.66⅝	Oct.	.72	.71⅛	.71⅛
		Barley			
1.36⅝	1.06	May	1.12½	1.06	1.08⅝
1.31¾	1.01¾	July	1.06⅛	1.01¾	1.04¾
1.25¾	.96½	Oct.	1.01¾	.98⅝	1.00⅝
		Rye			
4.33	3.60	May	3.96¾	3.89½	3.96¾
3.93½	3.01	July	.....	.....	3.12½
3.05¼	1.68	Oct.	.....	.....	1.77¾

Cash Quotations

	For Week Mar. 22 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.82½	.78⅝	.81¾	.79¾
3 C. W.	.76¼	.73¼	.76	.73⅞
Barley				
1 Feed	1.07⅞	1.03	1.08	1.04½
2 Feed	1.06⅜	1.01¾	1.06½	1.03
Rye				
2 C. W.	4.21¾	4.10	4.14½	3.84

FEED GRAINS
BULK or SACKED
All Grain Selected from our Elevators in the Finest Growing Districts of Western Canada
National Grain Company Limited
Write or Wire to Winnipeg for Quotations
HEAD OFFICE, WINNIPEG
Terminal, Fort William

Western Grain Co. Ltd.
Winnipeg, Canada
COUNTRY ELEVATORS and TERMINAL ELEVATOR at FORT WILLIAM
MILLS SUPPLYING BALANCED FEEDS and CRUSHED GRAIN
HANDLERS — SHIPPERS — EXPORTERS

NORRIS GRAIN COMPANY LIMITED
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg
NEW YORK · CHICAGO · KANSAS CITY · TOLEDO · ST. LOUIS
BALTIMORE · MINNEAPOLIS · DULUTH · LONDON · LIVERPOOL

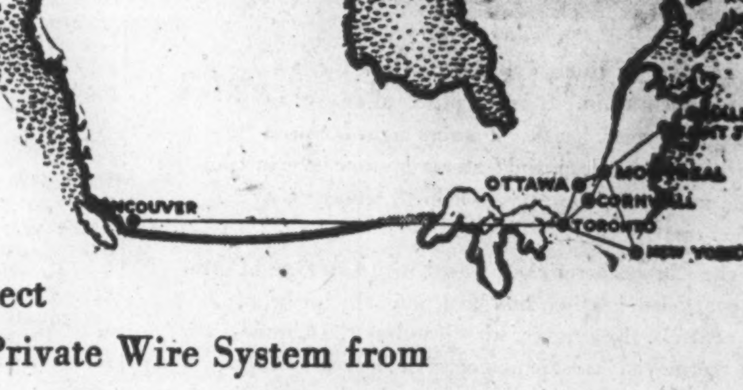
N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que. — Vancouver, B.C.

McCABE
COMPLETE WORLD-WIDE FACILITIES
Manufacturers of famous "Victoria" livestock feeds . . . specialists in forage and pea seeds . . . offering complete grain and seed handling facilities, McCabe's provide "Canada's Most Complete Farm Service." Victoria Products Co., Ltd. are distributors of farm equipment and branded feed supplements.
WORLD-WIDE
McCABE GRAIN CO. LTD.
FORT WILLIAM · PORT ARTHUR
WINNIPEG
ST. BONIFACE · BRANDON · REGINA
SASKATOON · EDMONTON · CALGARY
VANCOUVER · DULUTH · MINNEAPOLIS

THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
Operators of Country Elevators in Alberta and Saskatchewan
Terminal Elevators at Vancouver and Port Arthur
Offices: Calgary and Winnipeg

JAMES RICHARDSON & SONS LIMITED
Grain Merchants Shippers and Exporters
HEAD OFFICE WINNIPEG, MANITOBA
OFFICES THROUGHOUT CANADA



Direct Private Wire System from Coast to Coast
With the opening of our new office in Vancouver, we have a direct private wire system extending from coast to coast. Linked by private wire, all offices are in direct communication with security markets in Montreal, Toronto and New York, and with each other. This service assures investors of fast quotations and prompt execution of orders . . . and enables them to secure up-to-the-minute information from each Branch of our nationwide organization.
Hugh Mackay & Company
Members: Montreal Stock Exchange, Montreal Curb Market
MONTREAL
Montreal · Halifax · Saint John · Ottawa · Cornwall
Toronto · Vancouver · London, Eng.

The "Royal" Biltmore
$6.50

We agree Sir...
BILTMORE HATS
do look expensive
but..

it doesn't show on the price ticket! BILTMORE HATS have won such an enviable reputation for their high quality and smart-styling that you would naturally expect they'd be high-priced. Instead, you can buy a genuine BILTMORE Hat for

$5.00 to $12.50
The Master Hat of Canada

CANADA'S LARGEST MANUFACTURERS OF FINE FUR FELT HATS

THE ADVERTISING BUSINESS

Adequate Tests Must Be Conducted Before Advertising Commodities

By WALLACE GILLESPIE

Court proceedings some weeks back reminded merchandisers that there are certain legal considerations in the advertising of foods and drugs. Last week, in a Toronto court, there was evidence that the policing power of Canadian law extends to the advertising of other commodities as well.

Regardless of what the product is—whether it be a skyscraper or a milking machine—it comes under Section 406 of the Criminal Code.

Without quoting it fully, part of this section deals with advertised statements and guarantees "of the performance, efficacy, or length of life" of any product. It says such statements and guarantees shall be based upon tests. Futhermore, these tests shall be "adequate and proper."

Under this section, the defendant must prove that an adequate and proper test has been made. This reversal of usual pratice is not, however, too uncommon. It applies also in cases involving recent possession of stolen goods, possession of narcotics, and criminal libel.

Though the subsection has been on the books for more than a decade, law reports do not show any previous instance where it has been the basis of a prosecution.

Last week Fernand DeKuyper, proprietor of Samson Perfect Products, Toronto, was called upon to prove that the advertised claims for his distemper remedy (for pets and fur-bearing animals) were based upon adequate and proper tests.

DeKuyper outlined steps he had taken which, he said, constituted tests. His counsel called dog lovers, as well as mink and fox breeders, who claimed help from "Samson Distemper Remedy."

The crown called experts who testified (a) that the steps which DeKuyper had claimed as "tests" did not constitute tests by any scientific standard; (b) that, when proper tests were conducted, they showed that the Samson product was "of no practical value" as a distemper remedy.

Magistrate T. E. Elmore found DeKuyper guilty. Before remanding him for sentence later, His Worship described him as a man who had "discerned the fertility of this field."

The distemper remedy sold for $3.15 for a four-ounce bottle, according to the offending advertisment which appeared in the Fur Trade Journal of Canada in September, 1947.

The ingredients could be bought for around 15 cents, according to Crown witnesses, who qualified this answer by stating that the actual price may vary a bit depending upon the amounts purchased.

Claims "Manipulation" Secret

DeKuyper estimated the value of ingredients at 22 to 25 cents for the bottle, but this, he explained, didn't include filling or "manipulation."

It was the "manipulation", he said, which by a secret process he didn't care to divulge, produced the agent which was most effective against distemper.

Crown witnesses enumerated the ingredients one by one—castor oil, mineral oil, corn oil, camphor, phenol, kaolin, sulphur, and boric. They said science knew of no interaction between these chemicals. Futhermore, if heat had been applied or any distillation process used, there would have been some decomposition in the case of the castor oil.

As a result, the Crown witnesses testified, these ingredients would have no greater effect individually than they would separately. On that basis, they pronounced the remedy "of no practical value" in curing distemper (the three oil ingredients would, admittedly, have some laxative effect which might be helpful in relieving certain secondary effects).

The offending advertising had described Samson Distemper Remedy as "a preventative and a treatment, with no complications or after effects to tissues or body organisms. It is a medicinal preparation tested and proven, atomic in effect in most desperate cases."

The subsection under which DeKuyper was charged provides that any person who publishes, or causes to be published, an offending advertisement (this wouldn't include publishers who accept such advertisment in good faith in the ordinary course of their business) shall be "liable upon summary conviction to a fine not exceeding two hundred dollars or to six months imprisonment, or to both fine and imprisonment."

• • •

Personnel Policies Should Be Appraised

Marketing men were advised last week to appraise their personnel policies: ill-advised policies at this time may beckon unionization to the retail trade and possibly to the sales force as well.

The advice came from Prof. Walter A. Thompson, chairman of the business administration department, University of Western Ontario. He delivered the second in the series of "Marketing Know-How" lectures, sponsored by the University of Toronto and Toronto's Ad and Sales Club.

Forecasting continued high wage levels, Prof. Thompson said he believed much could be done along self-serve or semi-self-serve methods in lines other than food. There were, however, certain definite limitations in the replacement of sales clerks by mechanization. Result has been increased emphasis upon selection and training of the sales force, as well as consideration of alternative sales techniques (e.g. whether to use the "mechanized" approach of advertising, or the "in person" approach of the sales force).

Greater stress upon social security generally is reflected on the sales force. Prof. Thompson foresaw a greater tendency toward salary remuneration, rather than commission payment.

There is a new group of consumers in the market today "who had no prewar pattern of purchasing power"; those who were too young to be purchasers a decade ago, farm groups who have in recent years been getting sizeable cash payments for their produce. Payment of "baby bonuses" is another factor in assessing the new pattern.

Looking ahead, Prof. Thompson saw (a) continued rigidity of prices (continued war scare makes a "real break" unlikely "while all this activity is going on"), (b) keener competiton at retal levels, (c) a real chance for Canadans "to do some export business," (d) "no reason to expect" government interest in business to recede.

• • •

Should Gov't Follow Economic Divisions?

Would Canadians be better served if their provincial administrations more closely paralleled the natural geographical and marketing areas of the country?

This question was thrown out for discussion recently at the inaugural lecture in the 1948 "Marketing Know-How" series.

C. A. Massey, president of Lever Bros. Ltd., told his Toronto audience that many governmental functions in Canada could not be performed by a central administration.

But is there need for nine such administrations, he asked. He went on to explain that geography alone pointed to four natural regions and that, because of differences in race and language, it was advisable that the most populous of these be divided. That made a total of five.

Under the present setup, Mr. Massey said, Canadians are overgoverned. He feared that, with the war over, provincial governments might again embark on the taxation of company profits, reviving the tangles of nonuniformity in taxation methods.

"What is the profit which a company earns in a certain province?" he asked. "Do you take whatever percentage of your sales you make in that province and figure out the profit upon them? Some might say that's the logical method; but Ontario claims that part of the profit which a company earns is profit on the manufacturing process."

Marketing successfully in French Canada, he said, involved more than printing "directions for use" on a carton in French and getting a university professor to make a literal translation of advertising copy which had been prepared for English-speaking consumers. It involves a closer study of what the French Canadian wants and doesn't want. His own company, for instance, had found that the "B.O." appeal in selling soap does not pull well in Quebec, but does in Ontario.

• • •

Ovaltine Will Appeal Federal Conviction

There's going to be an appeal in the Ovaltine advertising case.

A. Wander Ltd. of Peterborough, Ont., makers of the beverage, have filed notice of appeal from the decision of Magistrate F. C. Gullen, Toronto.

Last month, the magistrate convicted the firm of advertising in a Toronto newspaper "in a manner likely to create erroneous impressions regarding the value, composition, and merit" of Ovaltine. The penalty: a fine of $100 and costs with right of distress.

The case was the first time the Government had prosecuted a firm solely under Section 32A of the Dominion Food and Drugs Act.

The appeal will be heard in County Court at Toronto in late April.

• • •

Agency Appointments

Carter Products Inc., New York, announces the appointment of J. Walter Thompson Co. Ltd., Toronto, to handle Canadian advertising of "Carter's Little Liver Pills."

SPECIFICATIONS
PROGRAM
CAMPUS
MEDITERRANEAN CRUISES

Mimeograph duplication—
high in quality... low in cost

High quality copy, sharp letter outlines, blacker reproduction . . . copies produced from stencils which can be filed and used again—this is the combination of performance and economy that works for you when you choose a Mimeograph* duplicator. Here is the outstanding way to produce copies in tens or thousands of typewriting, handwriting, illustrations . . . with speed and dependability.

When you consider your duplicating requirements investigate the complete line of Mimeograph duplicators. Your Mimeograph distributor will help you select the equipment best suited to your duplicating requirements. The line is complete and includes both hand and power operated equipment.

*REGISTERED TRADE-MARK

For best results specify genuine Mimeograph brand stencil paper, inks, and other related equipment and supplies.

MIMEOGRAPH DUPLICATOR
THE MIMEOGRAPH COMPANY, LTD., 189 JOHN STREET, TORONTO

INTERNATIONAL

When the job is tough...
get an INTERNATIONAL

On jobs like this, International Diesel Crawlers are the tractors to use.

They have the power to do this work easily. They have the stamina to stay on the job. They require but minimum maintenance, for they have effective, protective seals in rollers and bearings which keep abrasives out—even when knee deep in abrasive-filled water.

Equipped with matching bulldozers, these powerful tractors do the tough jobs as a matter of course.

They were designed and built for this kind of work. That's why owners of Internationals have long been proclaiming their money-making advantages, their matchless operating economy and their speed and sure-footed maneuverability.

See your International Industrial Power Distributor soon—for the whole story of International Diesel superiority.

INTERNATIONAL HARVESTER COMPANY
OF CANADA, LIMITED
Hamilton Ontario

Distributor for Alaska: GLENN CARRINGTON & CO.
Seattle, Nome, Fairbanks and Anchorage

INTERNATIONAL POWER
CRAWLER AND WHEEL TRACTORS • DIESEL ENGINES • POWER UNITS

Firestone
ORIGINATOR OF THE BALLOON TIRE
Introduces The NEW Super-Balloon
FEATURED BY LEADING CAR MANUFACTURERS ON THEIR 1948 MODELS

Here's the newest in tires to match the newest in cars!

The new Firestone Super-Balloon is a revolutionary, new KIND of tire that gives you a revolutionary new KIND of ride.

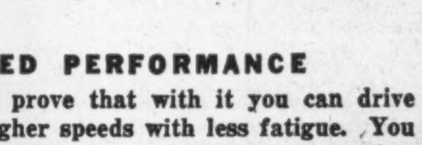
PROVED PERFORMANCE

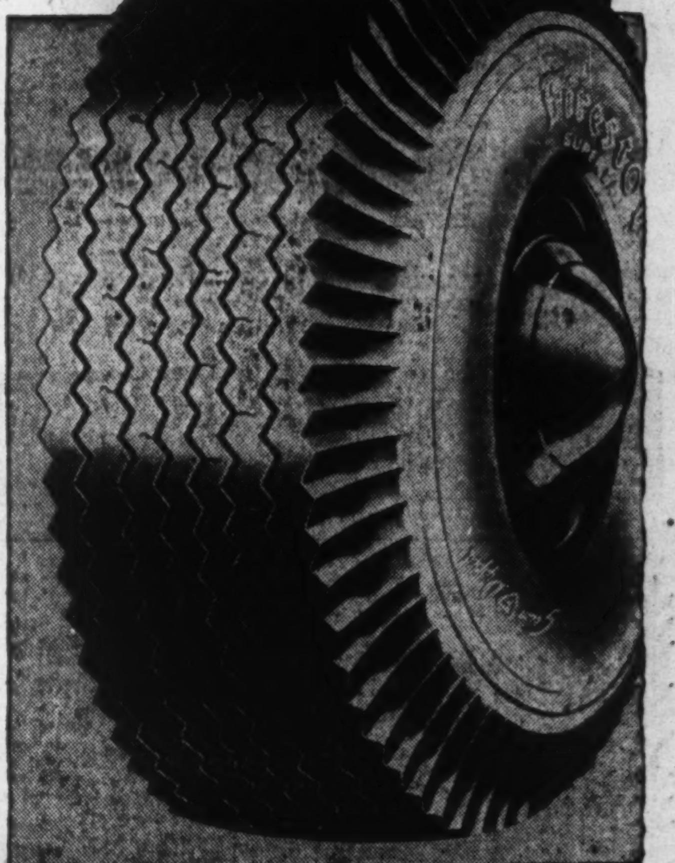
Exhaustive tests prove that with it you can drive more miles at higher speeds with less fatigue. You can stop more safely on any road in any weather . . . even with sudden stops on rough roads there is no chatter or wheel-bounce. This remarkable new tire *absorbs* the shock of hitting rocks, bumps and other objects instead of transmitting the shock to you and your car. It provides amazingly greater stability and enables your car to hug the road on curves.

MORE RIDING COMFORT

The new Firestone Super-Balloon is truly the tire of tomorrow, a wholly new sensation in restful riding, in non-skid safety, in blowout protection and in longer, more comfortable mileage. Many of the most famous automobile manufacturers will feature it on their 1948 models. And soon you will be able to put new Firestone Super-Balloons on your present car. Watch for them at your nearby Firestone Dealer or Store.

Cross sections show how more air volume and lower pressure permit greater flexing action when Firestone Super-Balloons go over bumps and rough roads.

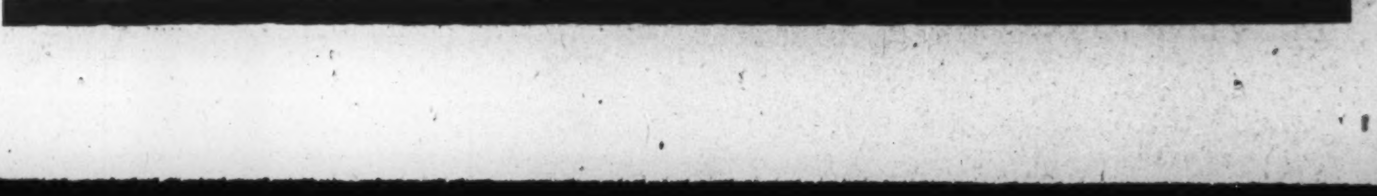




LESS FATIGUE . . . LONGER COMFORTABLE MILEAGE
This tire takes the punishment instead of you and your car. It absorbs road shocks instead of transmitting them because the tire body is larger and holds more air at lower pressure. You can drive farther, faster and longer without becoming tired. Reduced vibration results in the quietest, smoothest, easiest ride you have ever experienced.

SAFER STOPPING . . . GREATER BLOWOUT PROTECTION
The combination of new Skid-Resisters molded into the tread and more area in contact with the road provide sure-footed stops and sure-footed starts on any road in any weather. The Safti-Sured Gum-Dipped cord body and cooler-running resulting from the larger volume of air at lower pressure provide the greatest protection against blowouts ever built into a tire.

KEEPS YOUR CAR YOUNG . . . SAVES YOU MONEY
By preventing road shocks from reaching your car, the Firestone Super-Balloon helps to keep the body, chassis and running gear as tight as new. Many of the irritating and annoying squeaks, rattles and vibrations which occur when parts become loosened by jiggling and jouncing are eliminated. There is less wear on the car, fewer repair bills, longer car life.



What could you Build with your Insurance?

A WHOLE HOUSE
OR
HALF A HOUSE

Your house which took years to pay for may be destroyed in a few minutes.

Could you build more than half a house with the insurance you carry at present day values?

Increase Your Insurance in accordance with costs of today

HARRY PRICE INSURANCE AGENCIES LIMITED
15 KING ST. WEST
TORONTO ADELAIDE 5064

Dominion Appraisal Company Limited

Industrial appraisals undertaken for Cost Accounting and Litigation purposes.

Head Office
737 Wellington St. West
TORONTO ELgin 5928
MONTREAL
University Tower Building

THE SAFE ENCLOSURE FOR ALL MESSAGES

BARBER-ELLIS ENVELOPES

A SIZE AND STYLE . . . FOR EVERY PURPOSE

BARBER-ELLIS
ALL CANADIAN · COAST TO COAST

DETTA RED LAKE MINES indicates in 1947 annual report that development is entering important ore zones underground as indicated by surface diamond drilling. Current assets were $16,559 and liabilities $29,057 at Dec. 31. Investments in shares of Dickenson Red Lake (market value $16,000) were carried at cost of $23,400.

Insurance Firms Show Lower Fire Loss Ratio

Both Premiums and Losses Incurred Up But Increase in Latter Less Than in Former — Earned and Written Ratios Down

Fire insurance premiums written by Dominion licensed companies in Canada in 1947 totaled $88,999,229, an increase of $18.7 millions or 27% over 1946, the Dominion Department of Insurance announces. The figures are exclusive of one small company from which returns had not yet been received.

Claims incurred, less registered reinsurance, increased from $36,180,243 in 1946 to $40,122,603, the average ratio of claims to premiums written being 45.1% (51.5% 1946). For the different groups, loss ratios on a written basis were: Canadian, 39.4%; British, 45.4%; foreign, 48.1%.

Premium income was divided among groups of companies as follows: Canadian, $21,369,891; British, $31,155,912 and foreign, $36,473,426, these amounts being 125%; 134%; and 122% respectively of the corresponding amounts for 1946.

Ratio of losses incurred to premiums earned was also lower than a year ago (1946 figures in brackets): all companies, 54.0% (57.8%); Canadian, 47.8% (53.7%); British, 55.6% (62.5%); foreign, 55.9% (56.1%).

The higher loss ratio on the earned basis in comparison with that on the written basis is due to the large amount of fire insurance written in the last two years, much of it on long terms, which has produced a marked difference between premiums earned and premiums written.

Automobile Losses Up

Net premiums for automobile insurance increased 42% to $47,839,031. Claims incurred were $24,851,978, giving a loss ratio of 52% on a written basis (51.2% 1946).

Among the casualty lines, personal property insurance has shown a marked increase in recent years. In 1947 premiums written were $10,126,972 ($9,004,881) losses, $5,890,985 ($5,899,485) and the written loss ratio 58.2% (65.5%).

Hail insurance losses were heavy, a ratio of 66.9%, comparing with 30% in 1945 and 25% in 1946. Premiums written in 1947 were $4,901,933 and claims incurred $3,278,960.

Pulp, Celanese Industries Look Toward Manitoba

From Our Own Correspondent

WINNIPEG — Contingent upon power developments, Mines and Natural Resources Minister J. S. McDiarmid forecast in the legislature that new pulp and celanese industries might be launched in remote parts of Manitoba.

The Government hopes the report of Dr. T. H. Hogg, engaged last year to make a survey of Manitoba power resources, may be received before prorogation of the legislature. In any event Mr. McDiarmid said that there would be extensive engineering surveys of water power resources this year. One party will be located on the Churchill River.

The Bureau of Industry and Commerce now has seven major enquiries from firms investigating opportunities for locating new industries in Manitoba. There are enquiries from other countries by persons who at the moment can't get their capital out of the country in which they live.

Appeal Confirms Judgment Insurance Policy Taxable

The Ontario Court of Appeal recently confirmed a judgment given previously by Mr. Justice Barlow of the Ontario Supreme Court that proceeds of an insurance policy owned by the late A. W. Carr, and used to buy an annuity for the policyholder's beneficiaries, are subject to succession duties. (The Financial Post, Dec. 27, 1947.)

The estate of the deceased policyholder held that the annuity so purchased should be tax-free under a section of the Ontario Sucession Duty Act which states in effect that no duty shall be levied on "any non-commutable annuity, income or periodic payment effected in any other manner than by testamentary instrument and paid for by the deceased during his lifetime." The judgment found that the proceeds of the insurance policy did not come under this section as the deceased in his lifetime did not pay for the annuity or income or periodic payments. What he paid for was the benefit payable under the contract of insurance. This was practically the same opinion as that of Mr. Justice Barlow at the trial.

Judge Acquits Dental Firms; Rules 'Combine' Not Proven

The price-fixing prosecution launched under the Combines Act ended in Toronto last week with the acquittal of 18 accused dental firms (The Financial Post, Feb. 28, March 13).

Mr. Justice Barlow directing his Assize Court Jury to find the firms not guilty, ruled that the Crown had not proved its case.

In his opening submission, Crown Counsel D. L. McCarthy charged against the firms, 11 of whom are suppliers and seven manufacturers: "the most perfect system of price-fixing possible to conceive; a complete picture of price-fixing over 18 years."

Evidence submitted by the Crown was largely in 1,200 documents claimed to have been seized by the RCMP from the offices of accused firms. These documents included alleged price books of the Canadian Dental Trade Association of which all accused firms were members.

These books, Mr. McCarthy maintained, listed "in extreme detail prices at which every article or material should be sold."

In his direction to the jury Mr. Justice Barlow said:

"The accused are all incorporated companies and as such they act through their officers or someone authorized to act for them. What do we find in this case?

"There have been filed certain documents regarding the Canadian Dental Trade Association. Except in two instances these were not even signed. You have the names of persons who are not officers.

"No authority has been shown that they had any right to act for the companies.

"There is no proof of the Crown's charges and no one has been called to verify the documents submitted."

Whether the Court's decision will be appealed rests with the Department of Justice at Ottawa said Crown Counsel.

The firms acquitted were:

Ash Temple Co., Equipment Manufacturing Co., B. C. Supply Co., Maritime Dental Supply Co., Dominion Dental Supply Co., Goldsmith Bros. Smelting and Refining Co., Cooke Waite Laboratories Ltd., S. S. White Co. of Canada, Denco of Canada, Ltd., Denco of Ontario, Ltd., Denco Eastern, Western and Alberta Ltd., National Refining Co., Patterson and Patterson Inc., L. D. Caulk Co. of Canada, Novocol Chemical Manufacturing Co. of Canada, and Williams Gold Refining Co. of Canada.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN BRONZE CO. 1947 net profit was up 37.1%. Improvement is attributable to an expansion in sale of company's finished products, an unprecedented increase in tonnage of industrial business and economies derived from a policy of maintaining plants and their productive facilities at the highest possible level of efficiency. President H. W. Tritt states.

Prospects for 1948 can be considered promising by reason of the enlarged program for new equipment by railways, both here and abroad. Increased demand for company's products in the industrial field is also reported.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$684,389	$508,730
Less: Depreciation	42,715	32,251
Income taxes	290,000	220,000
Net profit	351,674	256,479
Less: Pref. divd.	37,500	37,500
Com. divd.	160,000	130,000
Surplus for year	154,174	88,979
Earnings per Share and Dividend Record:		
Preferred	$46.89	$34.20
Paid	5.00	5.00
Common	3.93	2.74
Paid	2.00	1.62½

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$368,561	$216,179
Accts. rec.	575,857	626,519
Inventories	964,552	520,603
Investments†	255,496	201,559
Total curr. assets	2,164,466	1,564,860
Prep. exp.‡	2,024	6,909
Misc. assets▲	176,400	196,401
Fixed assets*	864,086	786,841
Total assets	3,206,976	2,555,011
Total curr. liab.	1,166,018	640,966
Misc. res.	66,049	68,309
Capital stock	947,395	947,395
Surplus▲	‡1,027,514	898,341

‡Reflects credit amounts of $99,999 and debits of $125,000 for reserves and prior year taxes.

	1947	1946
*After depr. of	1,136,425	1,093,710
†Market value	280,742	267,909
▲Incl. ref. EPT	176,400	176,400
‡Incl. in curr. assets in co's. report.		
Working capital	998,448	923,894

CANADIAN GENERAL ELECTRIC CO. 1947 net profit was up 30.4%. Volume of orders was 27% higher than in 1946 and three-and-a-half times the prewar year of 1939. Sales billed were 36% above 1946, and also three-and-a-half times the 1939 volume.

Production during the year was adversely affected by continued shortage of some essential materials and components. Orders received were in excess of output and sales billed, with the result that there was a substantial increase in unfilled orders carried forward into the current year, the report states.

The expansion occurring in the Canadian economy and foreign markets has led to an unprecedented demand for all types of electrical equipment and appliances. Power companies have inaugurated long-range plans to increase facilities for generation and distribution of electric power. These programs along with the large backlogs of unfilled orders indicate a continuing heavy demand for the company's products.

The sum of $4,828,600 was spent during the year on the program of expansion and improvements as compared with $5,310,340 in 1946 and $3,214,044 in 1945. The new plant at Barrie reached full production of small appliances in 1947. The plant at Quebec City, purchased in 1947 for manufacture of watt-hour meters, and the new plant constructed in Cobourg, Ont., for production of plastics, began operations during the latter part of the year. Both will be in full production in 1948. The new fluorescent lamp plant at Oakville, Ont., has been completed and operations will soon begin.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings†	$8,192,237	$6,478,924
Less: Deprec.	2,143,828	1,504,563
Income taxes	3,000,000	2,600,000
Add: Secs. prof.	95,973	37,145
Net profit	3,144,382	2,411,506
Less: Pref. divd.	115,000	115,000
Com. divd.	1,510,760	1,510,760
Surplus for year	1,518,622	785,746

†After trans. of $150,000 in 1946 to general reserve.

Earnings per Share and Dividend Record:		
Pref.: Earned	$68.36	$52.42
Paid	2.50	2.50
Common	16.04	12.16
Paid	8.00	8.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$403,420	$5,877,196
Accts. receivable	10,098,266	6,055,279
Inventories	26,207,531	18,383,844
Less: Adv. pay. on contracts	6,452,263	2,949,861
Total curr. assets	30,256,954	27,366,458
Invest.† less res.	785,657	1,295,656
Misc. assets▲	2,623,219	2,465,194
Fixed assets*	16,748,959	14,238,412
Total assets	50,414,789	45,365,720
Bank overdraft	504,639	......
Accts., tax., etc., pay.	9,775,707	7,840,970
Divds. payable	406,440	406,440
Total curr. liab.	10,686,786	8,247,410
Mtge. pay.	129,046	139,524
Due War Assets	1,350,000	1,350,000
General reserve▲	11,547,713	10,446,164
Capital stock	11,742,250	11,742,250
Surplus	14,958,994	13,440,372
*After deprec.	17,072,568	15,573,013
†Mkt. value	785,657	2,274,277
▲Incl. ref. EPT	1,690,000	1,690,000
Working capital	19,570,168	19,119,048

PAMOUR PORCUPINE MINES experienced a loss of $24,468 in 1947 ($209,395 profit in 1946). In addition to $406,973 working capital, the company owned $2,780,515 of securities with a $2,848,519 market value at the end of 1947.

The loss in 1947 is attributed chiefly to increased costs from decreased tonnage and increased wages together with loss of exchange premium in July, 1946. Aid is anticipated from The Emergency Gold Mining Assistance Act.

Ore reserves showed a slight increase in both tonnage and average grade in 1947, as noted below, despite the fact that due to insufficient information, no ore at the west end of the property below the 600-ft. level has been included.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Metal recoveries	$957,092	$1,317,655
Less: Oper. exps.	992,407	1,032,315
Operating loss	35,315	a285,340
Less: Other income	94,180	90,784
Net earnings	58,865	376,124
Less: Depreciation	37,507	139,857
Dev. exp. w/o	45,846	......
Taxes	......	26,872
Net loss	24,488	a209,395
Add: Dividends	......	150,000
Loss for year	24,488	a59,395
aProfit or surplus.		
Earned per Share	d$0.005	$0.042
Paid	......	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$182,254	$673,061
Accts. rec.	35,555	30,173
Prep. inc. tax	52,800	8,000
Stores, bk. val.§	261,355	246,767
Total curr. assets	531,964	958,001
Mkt. secs.*	2,780,515	2,525,040
Prep. & def. chgs.	34,058	10,085
Def. dev. exp.	137,536	......
Mine property	162,823	162,823
Plant & equip.▲	181,901	163,803
Total assets	3,828,797	3,819,752
Total curr. liab.	124,991	120,038
Capital stock	1,387,500	1,387,500
Earned stock	2,316,306	2,312,214
§Carried as deferred asset in co's. report.		
▲After depr. of	1,853,944	1,816,586
*Market value	2,848,519	2,612,581
Working capital	406,973	837,963

OPERATING STATISTICS

	1947	1946
Tons milled†	299,633	386,686
Average recov.	$3.19	$3.41
Ore reserves, tons	1,391,400	1,372,000
Grade ($35 gold)	$3.96	$3.84

†Not including 103,026 tons of custom ore treated in 1947; 65,639 tons in 1946.

GLOBE OIL CO. proceeds from production of $25,157 in year ended Nov. 30, reflected company's initial income from the Globe-Leduc West and Command Globe wells. Net profits of $68,378 were about $20,000 above 1946 figures, after writing off development allowance of $33,893 and $7,777 in depreciation.

Investments in shares of other companies included: 20,000 shs. Alliance Oil Co.; 20,000 shs. Brazeau Oil Co.; 25,000 shs. Decalta Oil Co.; 43,600 shs. Leduc Consolidated Oil Co.; 18,000 shs. East-Leduc Oil Co.; 91,000 shs. Leduc West Oil Co.; 20,000 shs. Millet Leduc Oil Co.; 16,875 shs. North Canadian Oils; 71,000 shs. Quaich Oil Corp.; 78,000 shs. Standard Pacific Pete and 25,000 shs. Superior Oils.

INCOME ACCOUNT

Years Ended Nov. 30:	1947	1946
Prod. share	$25,157	......
Net roy. income	99,361	$64,349
Other income	9,752	13
Total income	134,270	64,362
Less: Int. & exch.	1,283	1,483
General exp.	22,939	12,207
Depr.	7,777	......
Devel. allow.	33,893	......
Taxes	......	2,368
Net profit	68,378	48,304
Less: Divds.	117,028	34,205
Deficit for year	48,650	a14,099
aSurplus.		
Earnings per Share and Dividend Record:		
Earned†	$0.018	$0.022
Paid	0.03¾	0.02¼
†Based on shares outstanding as shown below.		
Shares outstanding	3,800,002	2,164,508

BALANCE SHEET

As at Nov. 30:	1947	1946
Cash	$459	$9,560
Divd. fund	55,813	26,783
Acct. rec., etc.	5,066	7,183
Deposits	1,254	......
Dom. of Canada bds.	......	1,049
Total curr. assets	62,592	44,575
Royalty invest.†	310,840	309,594
Invest. in synd.	10,740	18,625
Invest. in shs. of other cos.	85,484	19,696
Fixed assets:		
Equip. & furn.‡	46,378	243
Leases, at cost	180,189	63,900
Wells, less res.	158,086	......
Abandoned wells	17,859	......
Wessex Petrol. res.	......	404
Preliminary exps.	4,486	4,486
Total assets	876,654	461,523
Bank loan	75,000	......
Lion Oil Prod. Co. Ltd.	36,672	......
Accts., etc., pay.	56,217	1,195
Prov. for taxes	390	2,368
Total curr. liab.	168,279	3,563
Capital stock	712,501	424,577
Deficit account	4,126	a33,383
‡After depr. of	7,777	......
†After depl. of	69,646	36,526
aSurplus.		
Working capital	*105,687	41,012

*Excess of current liabilities over current assets.

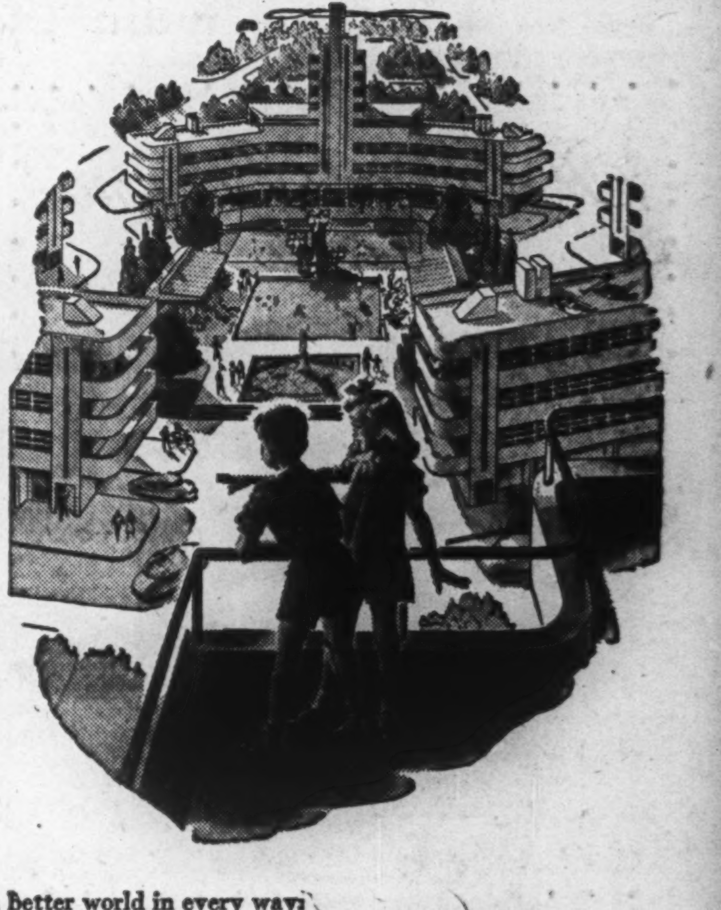
CANADIAN MOTOR LAMP 1947 net profit was almost double that of the previous year at $177,929. Working capital position was up $245,082 at $1,075,546.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net income	$326,679	$184,592
Less: Depr.	27,866	23,311
Amort.	1,575	1,475
Income tax	130,000	66,000
Add: Invest. prof.	......	119
Prof. assets sale	10,691	......
Net profit	177,929	93,925
Less: Divds.	60,000	60,000
Surplus for year	117,929	33,925
Earnings per Share and Dividend Record:		
Common	$1.78	†$0.94
Paid	0.60	†0.60
†Class A and B.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$336,817	$406,379
Accts. rec.	430,707	129,885
C.s.v. life ins.	48,081	46,023
Inventories	426,457	443,178
Total curr. assets	1,242,062	1,025,465
Def. chgs., etc.▲	342,943	562,252
Fixed assets*	383,955	290,901
Total assets	1,968,960	1,878,618
Total curr. liabs.	166,516	195,001
Reserves	55,000	55,000
Capital stock	100,000	100,000
Earned surplus▲	1,647,444	1,528,617
*After depr. of	480,700	455,450
▲Incl. ref. EPT	336,069	555,378
Working capital	1,075,546	830,464



What kind of world will your children inherit ?

Probably it will be a better world in every way.

Certainly it will be a *healthier world*. For science is working ceaselessly to devise more effective ways of treating and preventing disease.

But the task is enormous—*and costly*. That is why the life insurance companies in Canada have contributed large sums of money for many years toward the work of medical science—particularly in the field of preventive research.

As a result, more men and women are enabled to work in well-equipped laboratories waging war against cancer, tuberculosis and polio. More facts are being discovered in order to promote better nutrition, prenatal care and dental hygiene. And, the skill and devotion which these scientists bring to their work promises new freedom from sickness in years to come.

By supporting their efforts, the life insurance companies help to raise the health standard of the nation.

By owning life insurance, *you* help to create a healthier world for your children.

A message from the Life Insurance Companies in Canada and their agents

It is good citizenship to own LIFE INSURANCE

L-947C

Civic Study Group Enters New Phase

Toronto city council recently okayed change of name of Toronto Reconstruction Council to Civic Advisory Council of Toronto, approved in principle the organization's plan to lease 83 St. Joseph St. at $135 a month as office premises and concurred in a control board request that the advisory body study and report on division of municipal-provincial financial responsibility and desirability of reorganizing administration in the metropolitan area as a borough system.

The Civic Advisory Committee began as a wartime fact-finding body headed by public-spirited citizens seeking to offset postwar economic dislocation and unemployment with progressive planning and public works policies. It is now operating on an annual budget of less than $11,000 including a substantial civic grant.

Automobile and General Casualty Insurance
Lumbermens MUTUAL CASUALTY COMPANY
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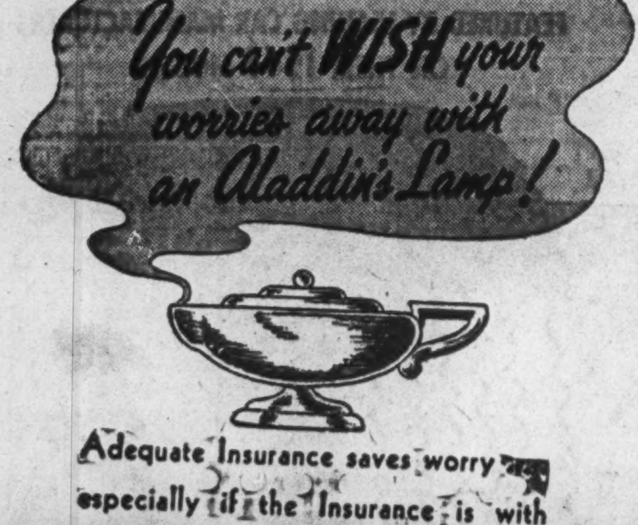
"THE SAFETY-MINDED COMPANY"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HEAD OFFICE: WINNIPEG

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Day after day, year after year, Steel Pipe is serving our needs. And because it has to be dependable pipe, architects, contractors, plumbers, steam fitting engineers—all those who specify or choose the piping—show a marked preference for Stelco Scale Free Steel Pipe. For Stelco Steel Pipe *is* trustworthy in every respect. It's extra strong. It's built to serve. And the men who install it will tell you it's a pleasure to work with Stelco Pipe—it cuts and threads so easily.

Stelco Steel Pipe conforms in every respect to the Canadian Standards Association specification B-63-1942. It is being specified regularly by heating engineers for steam, hot water or radiant heating installations.

STELCO THE MARK OF QUALITY

7416

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[illegible], LL.D.,
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Head Office
Toronto, Canada

Heads New Department

J. H. ROMIG

The Canada Life Assurance Company announces the appointment of John H. Romig as Manager of Policy Owner Relations. Mr. Romig has been associated with the Company since 1929 and has had wide experience in field and administrative phases of the life insurance business.

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IN MONTREAL
Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.
THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

To Wind Up Penny Bank of Ontario Due to High Costs, Help Conditions

Many an old Ontario public school boy and girl will learn with regret that under legislation now before parliament, the Penny Bank of Ontario will be wound up.

The bank has not been accepting deposits since 1943, and due to withdrawals for various purposes, including investment in Victory bonds and war savings certificates during the war, the total outstanding has steadily declined. Accordingly, due to this and other factors, including high operating costs, low investment yields, inroads on teachers' time and the altered need for the bank's services, it was decided not to resume the former activities.

Transfer Deposits

When the proposed act becomes law, the bank will be wound up, outstanding deposits transferred to the Post Office savings branch to the credit of the owners and the "members" of the bank who put up its guarantee funds, repaid the amounts pledged by them. These members will then of course be released from all further liability in connection with the bank.

At the end of 1939, total deposits reached a high of over $1.4 millions. This has been accumulated from the savings of Johnnie and Mary who every school "banking day," brought their nickels and dimes to their teachers for deposit.

The plan was designed to encourage children to be thrifty and in many cases Johnnie's savings when he passed out of public school were substantial although individual deposits were limited to $300.

But when the Government began selling war savings stamps, certificates and Victory bonds, the school children supported the campaigns vigorously. By Dec. 31, 1942 it was estimated that the juvenile depositors had bought several hundred thousand dollars worth of Victory bonds and War Savings Certificates, and total deposits showed net decline of $428,000 from the end of 1939. Most of the bonds purchased were of the $50 denomination.

No Deposits After 1943

In March, 1943, the bank notified its customers that it would accept no further deposits, but would continue to service accounts of present depositors.

After a five-year period, during which no new accounts were accepted, the number of pupil depositors has declined. Total deposits outstanding on Dec. 31, 1947, it is understood were just about $124,000, and total assets $231,568. So the bank is in a very good financial position.

Depositors are urged to withdraw their deposits, before the transfer is made.

The 43-year-record of the bank has been a creditable one. Organized in 1904, it had a federal charter and could operate branches in any part of the Dominion. Outside Ontario the bank had branches at Petitcodiac, N.B.; Prince Albert, Sask.; and Kimberley, B.C. At Dec. 31, 1942, just before it discontinued accepting deposits, it operated in 488 schools, serving a school population of 198,000.

Chartered Banks Co-operate

The head office of the bank is at Toronto and a branch office located at Ottawa. At those two centres, deposits collected by the teachers were placed directly with the Penny Bank itself. Elsewhere the money was deposited in the chartered bank branches, which serviced the Penny Bank business free of charge actually, as a piece of welfare work.

The bank made its revenue from investments. From this income it paid 1½% interest on deposits leaving a small margin to cover operating expenses which have been very low. The only paid personnel was the small staff at Toronto and Ottawa. The teachers gave their time on this work as part of their regular duties.

When the reopening of the bank recently came up for discussion, it was pointed out that the low level of interest returns on high grade securities in which the bank could invest its funds, left little over the interest and service charges the bank had to pay out. In addition many school principals felt that banking operations took up too much of the teachers' time to enable them to do their regular work efficiently. At a meeting in Toronto 51 principals voted against resuming operations of the bank, 35 voting in favor.

Establishment of the bank really grew out of a Penny Bank started by St. Andrew's Church Institute in Toronto in connection with the Church's missionary work. A similar bank was started in connection with the Central Lodging House for men, later removed to the Fred Victor Mission Building.

Directorate of the Penny Bank included high officials of the chartered banks. The bank has no capital but has a guarantee fund. Any person contributing $100 to the fund became a member of the bank. No profits were payable to any person nor could the directors, members or voluntary workers receive any remuneration for their services.

Refundable Income Tax
was an unusual form . . . of Saving!
THE unusual feature of refundable income tax—Compulsory Saving—must have convinced some people that regular saving is not so difficult as they had imagined. It brought a double benefit and both should be treasured—the actual money saved—the "education" in saving money. When your cheque comes in, deposit it right in your Imperial Bank savings account. And as for the future, that regular habit of monthly budget for saving should not be lost.
IMPERIAL BANK OF CANADA
"The Bank for You"
133-8

Apr. Dividends $24.1 Millions

Dividends payable in April (as declared to Mar. 19) amount to $24,137,672 as against $21,376,455 for the same month last year. Indicated payments for the first four months of the current year are $134,291,874—up 24.5% from the corresponding period of last year.

April payments of $20,023,092 by 187 industrial issues were up $2,689,718 from the amount paid by 184 issues last April. A special non-recurring dividend of $1,086,906 by Walker-Gooderham helped boost this April's total. Payment by eight mining companies was off $9,358 at $1,155,700. Payment by 32 financial institutions was up $64,579 at $1,527,675. Payment by 10 oil companies at $1,431,205 was up $199,300 from same month last year.

Following is a list of payments for April, 1948, as compiled by The Financial Post from records available.

Monthly Dividends

	1948 $	1947 $
January	53,238,358	33,874,733
February	12,895,875	10,806,365
March	44,019,969	41,743,192
April	24,137,672	21,376,155
Total	134,291,874	107,800,445

Industrials and Utilities

Company:	Rate $	Date	Amount $
Abitibi P. & P. $1.50 pfd.	.37½q	1	423,277
Do., pr. pfd.	.62½q	1	37,500
Acadia Atlantic A	.25q	1	50,000
Acme Glove	.25	1	12,000
Amer. Cyan.	†.25q	1	666,503
Do., 3½% pf.	†.87½q	1	342,191
Ashdown Hardware, A	.15q	1	20,430
Auto Fabric A	.15q&.40¶	1	13,750
Do., B	.10q	1	10,000
Beatty Bros.	.60q	1	83,400
Beaver Lumber A	.25q	1	25,000
Do., $1.40 pfd.	.35q	1	26,250
Belding Cort.	1.50q	1	11,242
Do., pfd.	1.75q	1	15,142
Belgium Glove	.15q	1	7,500
Do., pref.	.25q	1	11,242
Bell Telephone	2.00q	15	1,740,000
Biltmore Hats	.10q	15	4,000
Do., A	.25q	15	10,000
Brantford Cord.	.12½q	15	10,000
Do., pfd.	.32½q	15	10,920
Brazilian Tr., pfd.	1.50q	1	5,901
Bright, T. G.	.25	15	25,000
B. C. El. 4% pfd.	1.00q	1	120,000
B. C. Power, A	.40q		400,000
Building Products	.35q	1	169,184
Burlington Steel	.15q	1	21,000
Burns A	.25q	24	8,375
Do., B	.25q	24	27,390
Calgary Pwr. 4% pfd.	1.00q	1	50,000
Can. Bread, 4½% pf.	1.12½q	1	26,250
Do., B pref.	.62½q	1	16,625
Can. Brew.	.50q	1	1,000,000
Can. Canners	.31¼q	1	43,031
Do., 1st pref.	.25q & .05§	1	57,262
Do., 2nd pref.	.15q & .10§	1	88,729
Can. Cottons	.55q & .50▴	1	160,148
Do., pref.	.30q	1	50,191
Can. Converters, A	.18‡	30	13,000
Canada Dry, pfd.	†1.06¼q	1	53,707
Can. Fairbanks pfd.	1.50q	15	16,893
Can. Food Prod.	.18¾q	1	28,739
Do., A pfd.	.25q	1	17,826
Do., 4½% pfd.	1.12½q	1	30,505
Can. Gen. Elec.	2.00q	1	377,690
Can. Ice Mach. A	.20q	1	5,000
Can. Industries	.17‡	30	1,225,247
Do., pref.	1.75q	15	81,375
Can. Ing. Rand	1.50	1	285,600
Canada Iron Found.	.40	15	167,906
Do., 6% pf.	.30	15	9,042
Can. Nor. Power	.15q	25	60,000
Canada Packers, A	.75s	1	300,000
Do., B	.25s	1	200,000
Can. Refrac. 4½% pref.	1.12½q	15	5,625
Can. Silk A	.37½q	1	39,500
Can. Steamships	.50	15	150,000
Can. Varnish 5% pfd.	.31¼q	1	31,250
Can. West Lumber	.10q	15	310,000
Can. Westinghouse	.50	1	386,821
Cassidy's, pref.	1.75q	1	8,416
Celanese of Amer., 1st pfd.	†1.18¾q	1	415,625
Do., 7% 2nd pfd.	†1.75q	1	259,312
Circle Bar Knit. A	*.50s	1	13,199
Comb. Enterprises, pf.	1.25q	15	7,188
Comm. Alcohols	.05q	15	10,025
Do., pref.	.10q	15	5,000
Consol. Bakeries	.25q	1	79,610
Consumers' Gas	2.00q	1	391,104
Cons. Press A	.16¼q	1	16,250
Crain Ltd., R. L.	.10q	1	6,000
Dom. Foundries	.35q	1	127,754
Dominion Glass	.25q	15	53,125
Do., pref.	.35q	15	45,500
Dom. Tar & Chem., pf.	.25q	1	37,500
Dom. Textile	.15q & .15▴	1	609,000
Do., pref.	1.75q	15	33,900
Donnacona Paper	.50s	1	188,286
Donnell & Mudge	*.20q	1	8,060
Do., A	.35q	1	6,338
Easy Washing	.25q	1	7,655
Empire Brass, A	.25q	15	15,000
Essex Packers 1st pfd.	.82½	2	62,500
Do., 2nd pfd.	2.50	2	100,000
Estabrooks, pfd.	.26q	15	13,520
Foundation Co.	.35q	22	29,610
Fraser Cos.	.75q & .50▴	26	463,770
Gatineau Power	.30q	1	415,590
Do., 5% pfd.	1.25q	1	152,450
Do., 5½% pfd.	1.37q	1	47,950
Godyear Tire	1.00	1	257,260
Goulds Pumps, pf.	†1.75q	6	13,080
Grand & Toy	.15q	1	3,460
Gt. West Felt	.12½q	1	3,128
Greening Wire	.05q	1	28,500
Hamilton Bridge	.12½	1	30,719
Harding Carpets	.20q	1	26,239
Hendershot Paper	.25q	1	7,500
Do., 5% pf.	2.50s	1	6,625
Hinde & Dauch	.25q	1	75,000
Horner, Fr. W. A.	.12½q	1	7,055
Ing. Mach. & Tool, A	.12½q	1	10,255
Inglis, John	.10	1	25,000
Inter. Bronze pref.	.37½q	15	37,500
Inter. Metal, A	.40q	1	75,324
Do., B	.40	1	20,000
Do., pfd.	1.12½q	1	42,772
Inter. Milling, pfd.	†1.00q	15	53,500
Jam. Pub. Service	.25q	1	33,750
Do., pref.	1.75q	1	13,125
John Labatt	.25q	1	225,000
Journal Pub.	.17q	15	17,000
Lang, J. A.	.25q	1	25,000
Lewis Bros.	.25q	30	36,515
London Hosiery	.35 & .15	1	40,000
Do., A	.20q	1	9,000
Lowney, W. M.	.25q	15	51,798
Maritime T. & T.	.20q	15	85,271
Do., 7% pf.	.17½q	15	19,500
Minn. & Ont. Paper	†.50	20	672,272
Mitchell, J. S.	.75q	1	11,250
Modern Containers, A	.15q	1	6,250
Monarch Knit.	.25q	1	25,500
Do., 5% pfd.	1.12½q	1	5,625
Montreal Locomotive	.20q	1	140,000
Montreal Telegraph	‡.48q	15	24,000
Moore Corp.	.75q	1	359,014
Do., 4% pref.	.25q	1	35,000
Do., pref. A & B.	†1.75q	1	30,230
National Breweries	.50q	1	360,686
Do., pref.	.44q	1	48,840
National Grocers	.15q	1	44,278
Do., pref.	.37½q	1	53,949
National Hosiery, A	.15q	1	12,297
Do., B	*.15	1	6,149
Nat. Steel Car	.37½q	15	43,125
N. E. Elec. System	†.25q	1	233,151
Niag. W. Weav.	.40	1	46,000
N. S. Light & Pr., ord.	.25q	1	51,784
Ogilvie Flour, c.	.25q	1	150,000
Ont. Beauty Supply, pf.	.25q	2	3,750
Ottawa Elec. Rly.	.20q	1	35,197
Ottawa L. H. & Pr.	.15q	1	21,000
Do., pref.	1.25q	1	21,250
Page-Hersey	.40q	1	278,842
Power Corp., pref.	1.50q	15	75,000
Do., 2nd pref.	.75q	15	75,000
Renfrew Textiles, A	.15q	1	3,750
Riverside Silk, A	.50q	1	15,000

BANK OF CANADA

	Mar. 17 1948 $	Mar. 10 1948 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,165,648,661	1,165,481,420
Deposits: Dom.	76,007,213	57,146,597
Chart. banks	506,341,355	531,806,919
Other	68,351,832	70,736,765
Total deposits	650,700,400	659,690,281
Liabs. payable in sterling, U.S.A. and for'n. gold currencies: Deposits	133,594	133,599
All other liabs.	18,105,494	15,725,950
Total liabs.	1,849,638,516	1,856,081,617
Assets		
Sterling & for'n. exchange	133,591	133,591
Other currencies	161,884	168,603
Total	295,475	302,194
Subsid. coin	288,583	280,443
Investments:		
Dom. govt. sh.	982,198,106	986,589,681
Oth. Dom. gov.	818,040,551	811,552,942
Total invest.	1,800,238,657	1,798,142,623
Ind. dev. bank Total share cap. at cost	25,000,000	25,000,000
Premises	2,407,010	2,406,391
All other assets.	21,408,791	29,949,966
Total assets	1,849,638,516	1,856,081,617

APRIL DIVIDENDS (*Continued*)

Robertson, P. L.	.50q	1	30,030
Do., pref.	.62½q	1	3,753
Saguenay Pr., 4½% pf.	1.06q	1	53,500
Shawinigan 4% A pf.	.50q	2	100,000
Sher.-Williams, pfd.	1.75q	1	60,550
Silverwoods, A	.15q	1	63,990
Do., B	.30	1	127,980
Silverwood W. D., pfd.	1.25q	1	8,750
Smith, H. Paper, c.	.25q	30	60,550
Do., pfd.	.50q	20	107,555
South. Can. Pr., pfd.	1.50q	15	106,333
Stand. Radio, A & B.	.10q	10	21,500
Stand. Paving	.25	1	32,770
Do., pfd.	.62½ & .25	1	67,493
Stedman Bros.	.15q	1	61,200
Stovell Press 5% pfd.	.12½q	15	6,500
Tamblyn	.25q & ▴.05	1	33,600
Do., pref.	.50q	1	5,000
Thrift Stores	.25q	1	12,840
Tip Top Canners, A	.25s	1	5,842
Tip Top Tailors	.07½q	1	9,000
Tooke Bros.	.10q	2	11,730
Toronto Iron	.15q & .15§	1	11,580
Do., A	.15q & .15§	1	25,500
Tuckett Tobacco, pf.	1.75q	15	35,000
Twin City R. 5% pf.	†.62½q	1	5,540
Verney Mills 4½% pf.	.57	1	285,000
Viau	.25	1	11,230
Do., 5% pref.	1.25q	1	11,825
Wabasso Cotton	1.00q	1	69,903
Walker-Good. & W.	●.37½	15	1,086,906
Waterous, A	.20q	15	7,590
Western Breweries	.40	15	97,914
West. Koot. Pr., pf.	1.75q	1	8,750
Western Grocers, A	.50q	15	31,220
Do., pref.	.35q	15	20,900
Weston, Geo., c.	.20q	1	80,384
Wilsil	.25q	1	33,925
Wool Combing	.40q	10	20,000
Total			20,023,092
Mining Companies			
Chesterville	.05	30	86,780
Dome Mines	.25	30	500,000
Preston E. Dome	.01½	15	45,000
San Antonio	.07s	15	162,162
Sheep Creek	.01½	15	28,125
Springer Sturg.	.03	5	64,140
Sylvanite Gold	.01½	1	49,493
Wr.-Hargreaves	.04	1	220,000
Total			1,155,700
Oil Companies			
Anglo-Candn. Oil	.05	8	112,500
Brit. Amer. Oil	.25q	1	693,160
Do., 3¾% pref.	.234375q	1	93,750
Calgary & Edmonton	.05s	15	125,755
Canadian Oil, 4% pfd.	1.00q	1	10,000
Do., 5% pfd.	1.25q	1	12,500
Do., 8% pfd.	2.00q	1	40,000
Foothills	.12½	1	248,540
McColl-Front, 4% pfd.	1.00q	20	60,000
North Star Oil, pf.	.08¾&.08¾■	1	35,000
Total			1,431,205
Financial			
Brit. Amer. Assur.	1.75s	1	52,500
Can. Gen. Invest.	.17½q	15	105,103
Do., extra	.20	15	120,117
Can. Perm. Mtge.	2.00q	1	140,000
Can. For. Invest.	■.75q	1	55,062
Central Can. Loan	2.00q	1	50,000
Chartered Trust	1.25q	1	12,500
Crown Trust	1.25q	1	12,500
Dominion Square	.50	15	23,450
Economic Invest	1.20s	1	48,000
Gr. Bt. & Can. Inv. 5% pfd.	4.50	1	158,917
Gt. West Life	3.75q	1	37,500
Huron & E. Mtge.	1½%q	1	62,500
Invest. Found., pref.	.75q	15	20,703
Mtl. C. & D. Sav.	.35q	1	65,000
National Trust	.25q	1	65,000
Ont. Loan & Deb.	1.25q	1	80,000
Sterling Trusts	1.25q	1	10,050
Sun Life Assur.	3.00q	1	100,000
Third C. Gen. Inv. Tr.	.20	1	130,799
Tor. Gen. Trusts	1.75q	1	52,500
Toronto Mortgage	1.25q	1	24,662
Traders Fin., 4½% p.	1.12½q	1	33,750
Un. Fuel Inv. 6% A pf.	.75q	1	67,500
Victoria Trust	1.50q	1	11,562
Western Assur., s.	1.40s	1	18,000
Total			1,527,675
Grand total			24,137,672

q—Quarterly. s—Semiannually. a—Annually. †Payable in N. Y. funds. *Initial. ▴Extra. ‡Net after deduct. C.I.T. §Participating div. ■Subj. appr. F.E.C.B. ●Special. ■On arrears. ¶For period Jan. 1-Dec. 31/47.

Life Insurance Sales Ease 2%

Canadians and Newfoundlanders in January bought over $99 millions of new life insurance protection, the figures including only ordinary insurance put in force and, not dividend additions, reinsurance acquired, pension bonds without insurance, annuities, group or wholesale business.

The total was about 2.3% lower than in the same month of 1947. Increases were shown in British Columbia, Alberta, Manitoba, Quebec, the other areas recording declines. The figures are issued by the Canadian Life Insurance Officers Association.

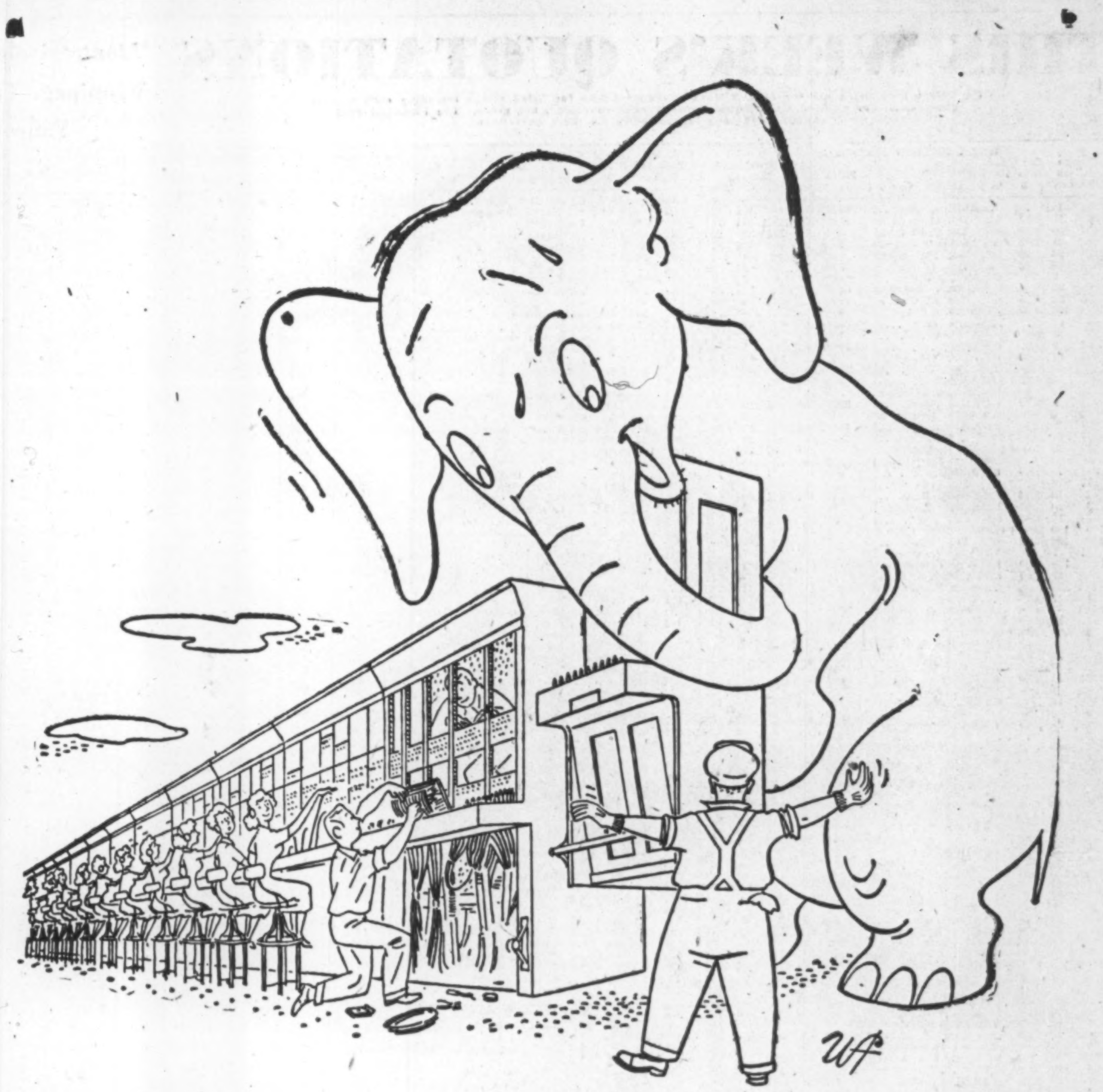
Sales of New Ordinary Life Insurance In Canada and Newfoundland (000 of $)

Sales in January

	1948	1947
British Columbia	8,290	7,774
Alberta	6,664	6,365
Saskatchewan	3,002	3,437
Manitoba	5,859	5,760
Ontario	41,968	44,075
Quebec	26,794	26,234
New Brunswick	2,784	2,797
Nova Scotia	2,643	3,677
Prince Edward Island	475	573
Newfoundland	558	719
Total for Canada and Newfoundland	99,037	101,411

Sales by Months (000 of $)

	1948	1947
Jan.	99,037	101,411
Feb.	......	100,241
Mar.	......	104,083
Apr.	......	103,391
May	......	108,237
June	......	103,605
July	......	97,443
Aug.	......	82,111
Sept.	......	86,356
Oct.	......	102,600
Nov.	......	112,819
Dec.	......	101,081
		1,203,378



IT'S FANTASTIC how the demand for telephones continues. This demand requires expansion of telephone exchange equipment. The job goes steadily forward with uninterrupted daily service. Supplying this complicated apparatus is a mammoth task of Northern Electric, Canada's largest makers of telephone equipment.

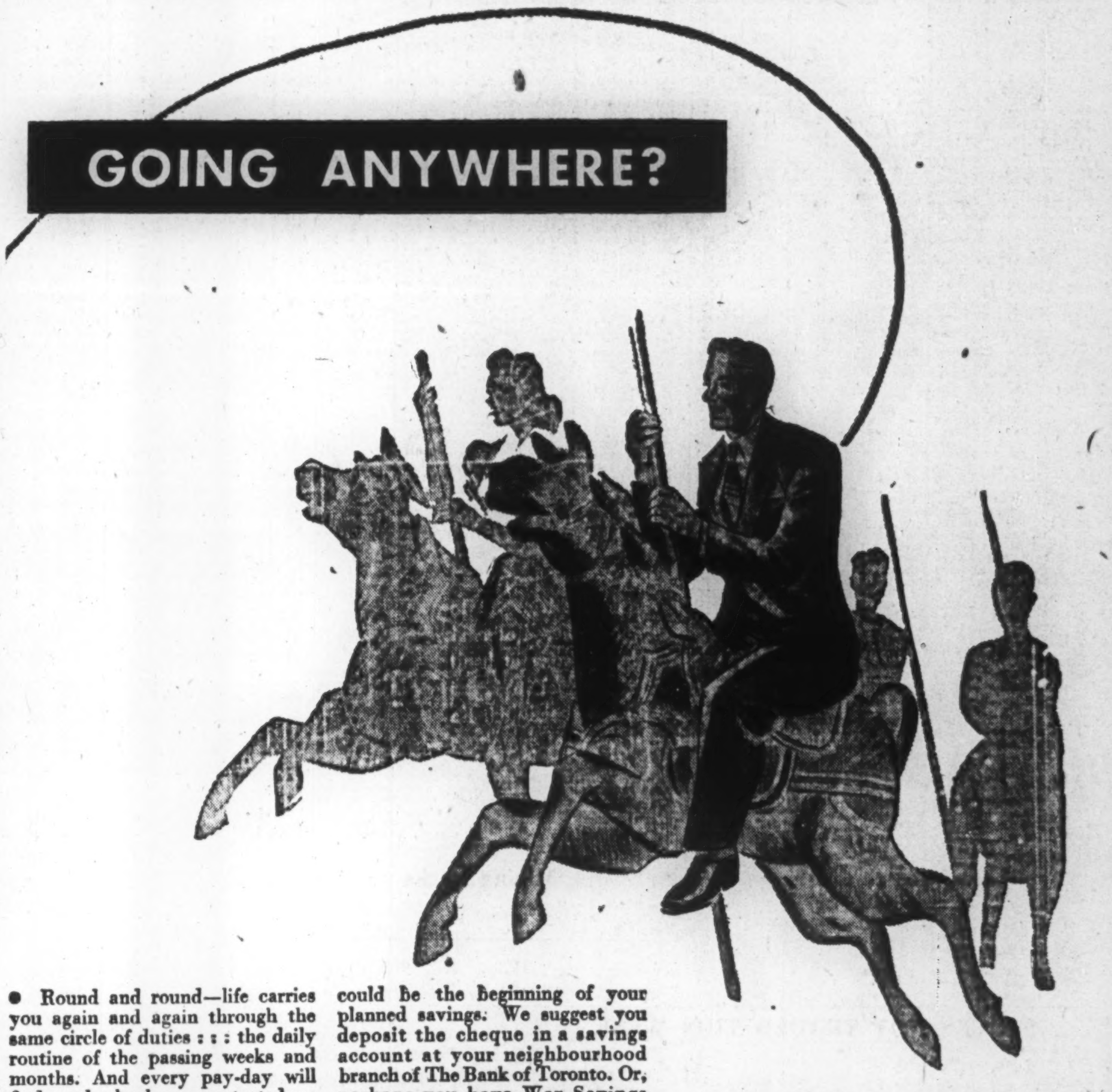
P.E.I. Has Surplus Another Forecast

From Our Own Correspondent

CHARLOTTETOWN — Revenues of $5,073,680 and a surplus of $36,168 are forecast for Prince Edward Island for 1948-49. The budget was presented to the legislature by Premier J. Walter Jones, acting as Provincial Treasurer since the resignation of Hon. W. H. Hughes (The Financial Post, March 20).

Included in the estimates were capital expenditures which would increase the Province's liabilities by about $1.5 million. The Premier criticized some of his ministers who overspent their appropriations in the past year. Public Works exceeded its estimate by $415,000 and Health and Welfare by $480,000, Mr. Jones warned that it will not happen again, stating that a monthly check will be made on expenditures to see that they are kept in line with the appropriations.

Before his resignation, Mr. Hughes gave a tentative current surplus for the year just ending, $400,000 on total revenue of $5,164,000.



GOING ANYWHERE?
● Round and round—life carries you again and again through the same circle of duties : : : the daily routine of the passing weeks and months. And every pay-day will find you back where you started : : : unless you have a definite objective: Planned saving is often the first essential.
This may be your opportunity to break out of this aimless circle. You may be receiving one of the 1942 Compulsory Savings Refund cheques which the government is mailing during March. This money could be the beginning of your planned savings. We suggest you deposit the cheque in a savings account at your neighbourhood branch of The Bank of Toronto. Or, perhaps you have War Savings Certificates? Why not authorize your nearest branch of this Bank to forward them to Ottawa for redemption at face value each month as they fall due. Only a nominal charge of .05c for each certificate forwarded is made. We invite you to avail yourself of our friendly service.
THE BANK OF TORONTO
Incorporated in 1855
L. G. GILLETT, General Manager
20-48

THIS WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING MARCH 19

Range 1947-48 High	Low	Div R'te $	Mar 19 Y'ld %	Company	Sales	Last Mar. 12	Week end. Mar. 19 H	L	Cl'se
21⅝	12½	.	...	Abitibi, new	3942	13⅝	14	12½	13⅝
22	17	1.50	8.2	Do. $1.50 pf n	9047	18⅜	19½	17½	18½
43⅞	35½	2.50	6.7	Do. $2.50 p. n	800	37½	37½	37	37
23½	16½	1.00	5.9	Acadia Atlan A	215	18	17	16½	17
107	96	5.00	5.0	Do. 5% pref.	30	99	101	100	101
11½	8	†.25	...	Acme Glove	225	10	9⅞	9⅞	9⅞
9⅞	7½	.50	6.3	Agnew Surp.	400	8	8	7½	8
59½	21	.	...	Algoma Steel	6832	38	39	33½	38
27⅞	24	1.00	4.1	Alum of Can p	1150	24⅞	24⅞	24	24½
228½	188	8.00+†2.00		Aluminum	459	217	218	214	216
46	43	.	...	Do. new	50	44	43	43	43
15	8	‡.50	...	Andian Nat.	100	8½	8	8	8
9⅞	5½	.60	9.7	Argus	5174	6½	6½	5½	6½
98	67	4.50	6.5	Do. 4½% pref.	180	75	70	69	69
2.00	.20	.	...	Do. Warr.	2041	.30	.35	.20	.20
31	24½	1.00+†.50		Asbestos	622	25½	25½	24½	25
15½	11	.60	5.5	Ashdown Hdwe	50	11	11	11	11
13½	9	1.00	9.6	Atlas Steels	2325	10⅞	10⅞	10	10⅞
7½	5	.40	8.0	Auto Fabric B	25	5½	5	5	5
22	19½	.80	3.9	Bk. Can. Nat.	1125	20½	20½	20½	20½
28½	25	.80+†.20		Bk. Montreal	1823	26	26½	25	26½
39½	33	1.20+†.20		Bk. N. Scotia	380	36⅜	36⅜	36½	36½
40	34½	1.20	3.4	Bk. Toronto	345	35½	36	35	35
23⅞	17	1.50	8.6	Bathurst Pr. A	670	17½	17½	17	17½
7½	4	.	...	Do. (B)	25	4	4	4	4
42	36	2.40	6.0	Beatty Bros.	10	40½	40½	40½	40½
23	19	1.00	5.3	Beaver Lumber	88	20	19	19	19
21	18½	1.00	5.4	Do. (A)	50	19	18½	18½	18½
160	150	6.00+†1.00		Belding Cort	5	150	150	150	150
177	160	7.00	4.4	Do. Pref.	3	162	160	160	160
12½	7½	.60	7.8	Belgium Glove	100	7½	7½	7½	7½
191	160	8.00	5.0	Bell Telephone	1748	161½	162½	160	160½
21½	17	1.00	5.7	Bertram & S. A	50	17½	17½	17½	17½
16½	10		...	Blue Ribbon	20	11	11	11	11
25	18	‡.50	...	Bowes Co. B	15	23	23	22½	22½
2.12½	40	‡.06	...	Brand & Mullen	2300	.65	.65	.40	.40
24	16⅞	2.00	11.6	Brazilian Tr.	5586	17½	17½	17	17½
17½	15	.60+†.30		Brew & Distil.	655	15⅞	15⅞	15½	15½
23½	15	1.00	6.1	Br Am Bk Nts	50	17	16½	16½	16½
27	20	1.00	4.9	Brit. Amer. Oil	2322	20⅞	21	20	20½
25	23½	.93⅞	3.9	Do. Pfd. n.	2910	24½	24⅞	24	24½
103½	91	4.00	4.4	B.C. Elec. 4% p	24	92	92	91	91
4½	2½	.30	9.7	B.C. Forest	9500	3½	3½	2⅞	3½
16	12	.75	6.3	B.C. Packers A	495	12½	12½	12	12
9	4½	.25	5.7	Do. (B)	1000	4½	4⅞	4½	4⅞
29½	24½	1.60	6.3	B.C. Power A	260	25⅞	26	25	25½
3½	2	.	...	Do. (B)	585	2½	2½	2½	2½
98½	43	.	...	B.C. Pulp & P	495	83	82	72	80½
175	133	7.00	4.2	Do. pref.	5	168	167	167	167
1.50	.66	....	...	B.C. Turf	1300	.70	.75	.70	.75
7½	[illegible]	....	...	Brown Co.	10360	3⅞	3⅞	3⅞	3⅞
113	67	....	...	Do. pref.	1675	81	83½	78½	83½
32½	28	1.40	4.8	Building Prod.	1330	29½	30	29	29½
12⅞	10	.60+†.15		Burlington St'l	80	11⅞	11⅞	10⅞	11⅞
30	20½	2.25	10.0	Burns & Co. A	20	23½	22½	22½	22½
19½	12	1.00+†.25		Do. (B)	166	14	14½	14	14
32	28½	1.50	5.3	Caldwell L 1 p	40	29	29	28½	28½
16⅞	12½	.80	5.3	Do. 2nd Pref.	55	16	15	15	15
6½	3⅞	.10	2.5	Canada Bread	20	3⅞	4	4	4
22⅞	14⅞	.	...	Canada Cement	2279	15	15	14½	15
31⅞	27	1.30	4.7	Do. pref.	595	27	28	27	27½
23⅞	15½	.80	5.0	C. & D. Sugar	345	16	16½	15⅞	16
27	24⅞	1.50	6.0	Can. Forg. A	100	26	25	25	25
63	45	2.00+‡.50		Can. Malting	242	47½	46	45	45½
13½	8½	.60	6.3	Can. Nor. Pr.	100	9⅞	10	9⅞	9½
40	33	1.50	4.6	Can. Packers A	210	33	34	33	33
201½	188	8.00	4.1	Can. Perman.	48	198	197	194½	197
103⅞	98	4.50	4.6	Can. Safeway p	30	98½	98	98	98
17½	11	1.00	8.4	Can. Steamship	1470	11⅞	11⅞	11	11⅞
50	35	2.50	7.0	Do. pref.	175	35½	36	35½	35⅞
15½	10½	.60+.15		Can. Vinegars	165	10½	11	10½	10½
87	70	4.00	5.6	Can W Cable A	25	71	72	72	72
25½	19	†1.25		Do. (B)	115	23	22	21½	21½
10	5⅞		...	Can. Bakeries	30	6	6	6	6
23⅞	21	.80+†.20		Can. Bk. Com.	1265	22	22½	22	22½
27	17⅞	2.00	10.5	Can. Breweries	30374	19⅞	19⅞	17⅞	19
45	33	2.00	5.7	Can. Bronze	25	35	35	35	35
26	16⅞	1.25	1.4	Can. Canners	1503	18½	18	16½	17

Mining Stocks

Range 1947-48 High	Low	Div. Rate $	Mar. 19 Yield %	Company	Sales	Last Mar. 12	Week Ending Mar. 19 High	Low	Close
1.50	.60	....	....	Akaitcho	83,700	.75	.80	.60	.70
.21	.03	....	....	Alger	138,600	.05	.05½	.03	.03½
1.90	.20	....	....	Amal. Lard.	15,800	.23	.24	.20	.21
.85	.22½	....	....	Amer. Neph.	1,000	.30	.33	.30	.30
.19	.07½	....	....	Amer. Y.K.	17,800	.11½	.11	.10	.10

Oil Stocks

High	Low	Div. Rate	Yield	Company	Sales	Last Mar. 12	High	Low	Close
.25	.07½	.....	....	Princess P.	21,000	.10⅞	.10⅞	.09⅞	.09⅞
.13	.01½	.....	....	Richfield	1,000	.03	.03	.03	.03
1.03	.25½	.....	....	Roxana	6,100	.29	.28	.25½	.27
.20	.04	.....	....	Royal Can.	58,100	.12	.12½	.10½	.12
21.00	14.50	1.00	6.1	Royalite	1,035	16.50	17.00	16.50	16.50
.10	.03	.....	....	Share Roy	7,960	.06½	.07	.06	.06
.20	.05	.....	....	So. Brazeau	7,750	.13½	.13½	.12	.13
.45	.15	.....	....	So. West Pete	2,800	.14	.30	.25	.30
.33	.07½	†.01½	....	Spooner	400	.18	.17	.17	.17
.14½	.05	§.01½	....	Sunset	5,150	.09½	.08½	.08	.08½
.40	.18	.....	....	Superior	2,000	.25	.25	.23	.23
.10	.01½	.....	....	Three Point	1,750	.05½	.05	.05	.05
.61	.10	.....	....	Turner V.	160	.20	.20	.20	.20
.22	.06	.....	....	United Oils	12,250	.09½	.10	.09	.10
.23½	.10⅞	.....	....	Vanalta	1,500	.15	.15	.15	.15
.54	.14	.....	....	Vulcan	1,120	.23	.23	.22	.23
.16	.10	.....	....	Vul. Brown	1,500	.14	.14	.14	.14
.07	.01	.....	....	York Oils	6,000	.04½	.06	.06	.06

* N. Y. Funds. ▪ Extra
‡ Paid in 1946. ‡ Capital Repayment. ♦ Dividend deferred.
§ Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Mar. 22	153,000	810,000	106,775	70,524	2,500,000
Mar. 20	108,000	516,000	30,995	21,720	1,750,000
Mar. 19	211,300	860,000	80,950	45,164	1,440,000
Mar. 18	229,000	1,256,000	64,450	47,883	1,150,000
Mar. 17	304,100	1,841,000	56,290	41,840	1,220,000
Mar. 16	466,300	2,407,000	123,668	91,310	1,180,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Mar. 19 Bid	Ask
Amal. Elec.	•	12	10	12
Ang. Can. Tel. P.	2.25	47	46	48
Ang. Newf'd.	‡.60+.40	19	13	19
Assoc. T.& T.A. pf.	‡2.28	61	58	..
Ault & Wiborg pf.	5.50	103½	103½	..
Auto Electric	†.10	4½	..	4½
Do. A	.50	7½	7½	7½
Auto Fabric A	.60+‡.60	10	..	11½
Barcelona	...	6	2	..
Bates & Innes	1.00	16	16	17½
Beaver Lumber A	1.00	19	18½	18½
Do. pref.	1.40	31	..	31½
Belding Cort. pf.	7.00	162	..	170
Belgium Glove pf.	1.00	16½	16	16½
Bertram & Sons B	†.05+.05	4½	4	4½
Biltmore Hats	.40+†.20	10	9	13½
Do. A	1.00	20½	18½	20½
Blue Ribbon pf.	2.50	55	..	55
Blue Top Br. B	‡.60	30	25	..
Bowes Co. A	.50	10	10	10½
Brand, Hender	...	14½	14	..
Brant, Cord.	.50	10	8	12½
Do. pref.	1.30	26½	26½	27
Brant. Roof.	†.40	17½	15	20
Brazilian Tr. pf.	6.00	151	..	140
Bright, T. G.	1.00	22	21½	23
British Rub. pf.	5.00	99½	99½	102
Bruck S. Mills	1.20+‡.30	23	20	22½
Burrard D. D. A	.48	7½	7½	8
Butterfly Hos.	.70+‡.15	11½	11	12
Caldwell Linen	.80	12	12	15
Canada Bread pf.	4.50	96½	..	99
Do. pref. B	2.50	60	50	59
Can. Cr. Stone	.40+†.10	8½	7½	..
Can. Forg. B	1.50	41	40	60
Can. Iron	.80	13½	13	18
Do. pref.	.60	13½	13½	14½
Can. Machine	.50	5	4½	7
Can. Packers B	.50	16	15½	16½
Can. Starch	...	10	9	11
Do. pref.	†3.50	105	100	..
Can. V'nish 5% pf.	1.25	23½	23	24½
Can. Bronze pf.	5.00	101	101	..
Can. Convert. A	.75	14	13½	15
Can. Cottons	2.20+†.50	45	40	46½
Can. Fairb. pf.	6.00	143	143	..
Can. Fire	.80	20	19½	..
Can. Food Prds. pf.	4.50	87	..	85½
Can. For. Inv.	3.00+†1.00	26½	25	26½
Can. G. Sec. A	†1.50	45	36	50
Do. B	†1.50	20	36	..
Can. Ice Mach. A	.80	14½	14½	14½
Can. Indust. pf.	7.00	166	164	..
Can. Int. I. Tr. pf.	†6.25	95	95	..
Can. Oil 5% pf.	5.00	99½	99½	99½
Do. 8% pf.	8.00	150	132	150
Do. 4% pf.	4.00	96½	..	92
Can. Shipbldg. A	‡.30	29	..	..
Do. B	‡.20	9	3	..
Can. Vickers pf.	7.00	134	124	133
Can. Wallpaper A	1.25	19	..	18½
Do. B	1.25	18	15	18½
Cassidy's	...	12	12½	14
Do. pref.	7.00+‡.25	130	..	130
Cent. Can. L'n.	8.00	201	200	..
Cent. Nor. Air. A	.50	7	..	6½
Do. B	...	2.00	2.00	2.75
Chart. Trust	5.00	140	..	..
Cinzano A	4½d	1.75	1.25	..
Do. 5½% pf.	5½%	4½	4	5
Circle Bar Knit	...	9	9	10
Do. A	1.00	19	..	20
Claude Neon pf.	...	47½	45	50
Cochrane-Dun. pf.	1.20	24	23½	25
Coll. Terminal	.25	9	8	..
Do. pref.	.25	9	8½	..
Comm. Alcohol pf.	.40	6⅞	6⅞	7½
Conduits Nat.	.40	6½	5	6½
Cons. Div. Sec. pf.	1.00	16	15	17½
Cons. Fire Co.	...	5	4⅞	..
Cons. Textile pf.	1.00	16½	16½	17½
Corr. P. Box 5% pf.	5.00	103½	..	103
Craig Bit.	...	5½	4½	4⅞
Crain R. L.	.40	7½	7½	7½
Cres. Cream pf.	†5.00	85	80	85
Crown Dom. Oil	...	8	8	10
Davis Leather B	.70	9½	9½	9⅞
De Havilland A	...	18½	16	19
Disher Steel	...	21	2½	3
Do. pref.	†.37½	21½	21⅞	23
Dom. Ang. Inv. pf.	5.00	107½	98	104
Dom. Electro	...	6	5	5½
Dom. Fabrics	.80	13	12	13
Do. pref.	3.00	50	51	54
Do. 2nd pref.	1.50	30	26½	28
Dom. Malting pf.	5.00	102	..	100½
Dom. Scot. Inv.	...	4	3½	4
Dom. Tar & Ch. v.t.	1.00	26½	..	26
Dom. Textile pf.	7.00	165	162½	..
Dom. Woollens	.80	11	10½	10⅞
Donohue Bros.	1.00	19	..	19
East Koot Pr.	...	1.00	1.50	..
Do. pref.	...	25½	26	32
East Theat	†1.00	21	21	..
Economic Inv.	2.00	35½	34½	36
Federal Fire	2.00+†.25	51⅞	51	..
Fibre Products pf.	.50	8⅞	8½	9
Fleury Bissell	...	4	3⅞	4½
Do. pref.	†.25	14½	14	14½
For. Pr. Secs. pf.	...	5½	5	6
Freiman	...	12	6	14
Do. pref.	4.50	92	92	93
Gen. Products A	†.75	16	16	17
Do. B	†.75	21	21	..
Gord. Belyea	2.50	54½	54½	..
Gord. Mackay B	.50+.12½	22	20	23
Gould Pumps	‡7.00	65½	105	..
Grafton & Co. A	1.00	19	20	20½
Grand & Toy	.60	13	15	..
Gt. West Felt	...	6½	..	8
Gt. West Life	15.00	377	..	375
Gt. West Saddlery	...	11	8½	13½
Growers Wine	...	1.80	..	..
Guaranty Trust	5.00	125	125	128
Hahn Brass	.60	8½	8½	9
Hamilton Cot. pf.	.90	14	14½	15
Hillcrest Coll.	...	.30	..	.40
Holt Renfrew	...	45	..	..
Do. pref.	‡3.50	100	..	..
Ho. De LaSalle	▪.25	10	10	21
Hubbard Felt	†.25	5	5	7½
Humberstone S.	‡1.25	21	..	22½
Hunts B	.40	10	8	10
Imp. Varnish	.80	14	14	15½
Do. pref.	1.50	31	31	..
Inter'c. Bak.	3.00+1.00‡	92	..	80
Inter'c. Coal	‡1.00	22	22	..
Do. pref.	8.00	125	120	..
Int. Mill pref.	‡4.00	110½	..	..
Int. Nickel pf.	‡7%	140	135	..
Int. Paints	...	9½	8½	8⅞
Invest. Found. pf.	3.00	53	52	53½
Jam. Pub. Ser. pf.	7.00	132	130	..
Kelvinator	1.50	25	25	28½
L. of the Woods pf.	7.00	159	..	164
Langleys	...	1.50	1.60	2.00
Do. pref.	•	45	..	48
Levy Bros.	†.10	9	3	12
Lindsay C. W.	...	12	12	30

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Mar. 19 Bid	Ask
Do. pref.	‡4.00	110	110	..
London Can. Inv.	†4.25	91	45	..
Mackin Steel	...	7	7	..
Do. pref.	5.00	85	85	..
Manitoba Sugar pf.	6.00	102	..	99½
Maritime Tele.	.80	19½	19	19⅞
Do. pref.	.70	20	19⅞	..
Marcus Loew's	4.00	84½	72	..
McBrine	1.00	18	18	18½
McCabe Grain B	†.10	6½	..	7
Mexican Lt. pref.	...	15	..	..
Mid. Pac. Gr.	1.00	15	..	15
Mod. Tool	.50	6	6	6
Mon. Knit. pf. 4½%	4.50	95	..	95
Mon. Life 30% pd.	12%	95½	93½	..
Montreal Cot.	.50	12	11½	12
Mont. Is. Pr.	...	.30	..	..
Mont. L. & P. notes	...	50	50	..
Moore Corp. pf. A▲	7.00	286	260	..
Do. pref. B	▲7.00	429	392	..
Morrison Brass	...	3½	2⅞	3½
Nat. Grocers pf.	1.50	27⅞	27½	27⅞
Nat. Hosiery A	.80	12½	11⅞	12
Do. B	†.15	10½	10	12½
N. Sew. Pipe A	...	31½	22	29
National Trust	1.00	26	24	26
Neon Prod. of W. C.	.60+†.10	12½	12½	..
Niag. W. Weav.	1.60	24	23	24
Nor. Can. Mtge.	†.50	15½	15	..
N.S. L. & Pr.	1.00	19½	19	..
Nuclear Ent.	‡4.00	12	10½	12
Ont. Beauty Sup.	‡.20	1.65	1.00	1.75
Do. pref.	1.00+‡.20	17½	..	16⅞
Ont. Steel pf.	7.00	131½	131½	..
Ott. L. H. & Pr. pf.	5.00	102½	102½	..
Pantepec Oil	▲4.32	14	..	..
Paton Mfg.	.80	18	19	20
Do. pref.	1.40	32	26	..
Penmans pf.	6.00	153	125	148
Photo Eng.	†1.50+†.75	27	25½	27
Power Corp. pf.	6.00	109	107½	110
Premier Trust	2.00	57	50	60
Que. Telephone	.40	11	10½	..
Quinte Milk B	...	1.60	1.60	..
Regent Knit. pf.	1.60	25	26	27½
Reitman's 5% pf.	1.00	17	17	18
Reliance Grain	...	25	20	35
Renfrew Tex.	.60	8	7½	8
River S. Mill B	2.00	13½	10	13½
Robertson P. L.	2.00	44	45	47
Do. pref.	2.50	48	48	..
Rolland Pap. pf.	4.25	100	100	101
Russell Indust. pf.	7.00	605	..	605
Saquenay Pr. P.	4.25	101	101	103⅞
Sarnia Br.	.80	14	14	15½
Scarfe & Co.	.80	15⅞	8	16
Scythes & Co.	.75+†.19	14	12	14½
Do. pref.	1.25	25½	25½	..
Sher. Wms. pf.	7.00	144	144	150
Silknit	...	9	9	10½
Do. pref.	2.00	35½	..	35½
Silv'w'ds W. D. pf.	5.00	99⅞	99⅞	..
Simon & Sons	1.20	21	20	23
Slater N. pref.	2.12	48½	45	48½
St. Law. Corp. 1st pf. new	...	33	..	..
Do. 2nd pf. n.	...	11	..	..
St. Law. Flour	1.60	30	28	30
Do. pref.	7.00	151	150	155
St. Law. Paper, 1st pref. new	...	90	110	114
Do. 2nd pf. new	...	37	37	40
Stand. Clay.	...	13⅞	13⅞	..
Stand. Radio	.40	4½	3⅞	5
Stanley Brock	.60	9	9⅞	10½
Do. B	.40	5½	5	5½
Stedman Bros. new	.60	15	14	15
Sterling Coal	...	10	10	12
Sterling Trust	5.00	110	110	114½
Stowell A pref.	1.50	22	20½	22
Do. B	...	5	..	6
Stuart, D. A. pf.	.80+‡.60	18½	17⅞	..
Sup. Pete Ord.	2.00	51½	45	48
Do. Com.	2.00	52	..	..
Do. pref.	1.50	27½	..	..
Tamblyn pref.	2.00	49	45	48⅞
Taylor Pearson	†.25	4⅞	..	4⅞
Thayers	...	9	8⅞	..
Do. pref.	†2.50	33	35½	..
Theatre Props.	...	6	5	6
Thrift Stores	1.00	14	12½	15
Tip Top Can. A	.50	9½	9	9½
Tooke Bros. n.	.40	7	..	9
Toronto Iron	.60+†.15	9½	9	9
Toronto Mtge.	5.00	105½	105	..
Traders Bldg.	4.00+1.00‡	86	81½	..
Traders Fin. A	1.00+†.25	42½	37	44
Do. B	1.00+†.25	39	37⅞	42
Do. 4½% pf.	4.50	96	..	93½
Do. B rights	1.00	21½	..	..
Twin City	...	5⅞	5⅞	6⅞
Un. Amuse A	‡1.50	34	36	37
Do. B	‡1.50	32	31	..
Viceroy	†.12	9½	9½	10
West Koot. pf.	7.00	173	..	..
West Brew.	1.60	20	19	20
West Grain pf.	...	34½	18	..
West Grocers	...	21½	21	21½
Do. pref.	1.40	31	30⅞	32
Westminster Pap.	.80	17⅞	17½	19
Willson Stat.	...	6.50	6.00	10.00
Do. pref.	5.00	100	80	97
Woods Mfg. pref.	2.00	45	..	50
York Knit. A new	...	7⅞	..	8
Do. B new	...	4½	4	4½
Zellers	1.25+†.25	35	34½	35
Do. 6% pref.	1.50	28½	27⅞	28½

▪Paid in 1946. ‡Extra. xOn arrears.
†Paid or payable in 1948. ▲N.Y. funds.
‡Paid in 1947. §Net after income taxes.
‡‡Paid in 1947-48.

Mining Stocks

	Div. rate $	Last sale	Mar. 19 Bid	Ask
Alta.	...	.07	..	.10
Belleterre	.20	8.00	7.65	9.00
Bouscadillac G. M.	...	.03½	.03½	.07
Brazil Gold	...	.02	.01½	..
Bridge River	...	.03½	.03½	.04
Bunker Hill	...	.05	.03½	.05½
Celta Devel.	...	.06	.06	..
Cryderman	...	.01½	..	.01½
Dickstone L.	...	.10	..	.10
Flin Flon	...	.02½	.02	.03
George Copper	...	.00½	.00½	.12
Golconda	...	.12	..	..
Gold Lake	...	.01½	.01½	.03
Gold Pan	...	.17	..	..
Graham B.	...	.10	.11	..
Gt. Falls M.	...	.00½	.02	.03
Hoyle	...	1.05	.36	1.90
Int. Mining	...	4.75	..	..
Island Lake	...	.00½	..	.03
J. M. Cons. Gold	...	.02½	.02½	.03½
Kerr Lake	‡.05	.35	.28	.30
Kootenay Belle	...	.05	..	.06
Lencourt	...	.12½	.08	.12½
Lexindin	...	.10	.09⅞	.10
Maralgo	...	.04½	.04	.04½
McFinley R. L.	...	.34	..	..
Mentor Explor.	...	1.00	.50	.75
Norgold	...	.02½	.02½	.04
Normandy	...	.04	..	.04
North. Canada	...	.45	.42	..
North. Empire	‡.10	1.75	1.50	..
Partanen Mal.	...	.02	.02	.02½
Prospectors Air's	...	.30	.40	.50
Red Cloud	...	.01½	..	.02
Red Crest	...	.05	.03	.05
Rice Lake	...	.02	.01	.02
Scotia Gold	...	.01	..	..
S. American G.	‡20	1.10	..	..
Sunloch	...	.10	..	..
Taku	...	.50	.48	.55
Taylor Bridge	...	.45½	..	.46
Tiblemont	...	.15	..	.20
Wellington	...	.02½	.02	.03
Winnipeg R. Tin	...	.00⅞	.00⅞	.01½
Yukon Cons.	...	.95	.85	1.00

OIL STOCKS

	Div. rate $	Last sale	Mar. 19 Bid	Ask
Admiral	...	.06	.05½	.06½
Advance	...	.03	..	..
Arrow	...	.10	..	..
Command	...	.15	.15	..
Federated P.	...	.35	..	.40
Lowery	...	.51½	.51	.55
Marvel	...	.01½	.01½	.02
McD. Segur	...	.08½	.06	.11
Merland	...	.02	..	..
New Valley	...	.03½	..	..
Richland	...	.04	..	..
Royal Crest	...	.03	.02½	.04
Texas Can.	...	1.35	1.35	..
Warner	...	.07	.05	.10
Wellington	...	.06	.04	.06

†Paid or payable in 1948.
§Paid in 1947.
‡Paid in 1946. *N.Y. Funds.
♦Dividend deferred.

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co. and Kippen & Co.)

Mar. 22, 1948

	Bid	Ask.
Allens Toronto units	40.00	....
Anglo Amer. Timber	....	1.25
Anglo Can. Telephone A	9.50	10.50
Do. pfd.	46.00	48.00
Beauharnois L. H. & Pwr.	10.25	11.25
Brandram Henderson	13.50	15.00
British Mtge. & Trust	185.00	....
B. C. Sugar	88.00	92.00
Brockville Trust $50 par	60.00	....
Candn. Inv. Fund	4.35	4.80
Can. Investors Corp.	7.00	7.75
Canadian Motor Lamp	11.00	12.50
Can. Silk Prod.	20.00	22.00
Can. West. Nat. Gas com.	65.00	....
Do. pfd.	19.00	20.00
Capital Wire Cloth com.	11.00	....
Do. pfd.	23.00	....
Cardy Corp. A	6.50	8.00
Cawthra Apts. units	6.50	....
Chase A. W. units	44.00	....
Colonial Steamships com.	90.00	....
Commercial Life 10% paid	8.00	....
Commonwealth Inter. Corp.	3.25	3.57
Confed. Life 30% paid	155.00	....
Continental Life 20% paid	42.50	....
Cooksville A	9.50	11.00
Do. B	3.00	5.00
Corp. Investors	8.00	8.75
Cuban Can. Sugar com.	2.50	4.00
Detroit Inter. Bridge	10.50	12.50
Dover Industries Ltd.	9.25	10.25
Dunlop Tire pfd.	24.50	26.00
Dupuis Freres pfd.	25.25	26.50
Empire Life Ins. 25% pd.	17.00	19.00
Do. 20% pd.	14.50	....
Fed. Found. & Stl. new c.	.50	.75
Foreign Power Co.	5.00	7.00
Foreign Power Sec. pfd.	5.00	6.00
Galt Brass com.	34.00	....
Goderich Elev. & Trans.	14.50	16.00
Great West Liffe	350.00	380.00
Guardian Realty pfd.	44.00	....
Guaranty Co. of N. Amer.	385.00	....
Guelph & Ont. Svgs. $50 p	61.00	....
Gurney Foundry com.	24.00	....
Halifax Ins.	14.50	16.50
Hart Battery com.	7.50	8.50
Hartz, J. F., A	10.50	12.00
Imperial Life	345.00	365.00
Interprovincial Brick A pf.	....	75.00
Do. B pfd.	....	30.00
Lambton Loan $50 par	83.00	90.00
Laprairie com.	5.00	7.00
Do. pfd.	92.00	97.00
Loblaw Groc. Inc.	17.75	18.75
Manufacturers Life Ins.	340.00	380.00
Maxson Food System	.30	....
Monarch Life 30% paid	83.00	....
Monarch Mortgage units	4.25	5.25
Mountainview Apts. pfd.	19.00	....
Nat. Drug & Chem. c. new	6.75	7.25
Do. pfd.	10.00	11.00
New Brunswick Telephone	13.00	13.50
Northern Tel. com.	1.75	2.50
Ont. & Que. Ry. 6% cap stk	....	145.00
Paramount Kitchener units	60.00	....
Peller Brewing com.	6.00	7.00
Do. pfd.	22.00	23.00
Prov. Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Sawyer Massey com.	1.50	....
Seiberling Rubber com.	6.00	8.00
Sincennes McNaught. Tugs	2.50	....
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	36.00	....
Standard Fuel pfd.	45.00	....
Do. com.	3.00	5.00
Sun Life Assce.	460.00	475.00
Third Can. Gen. Inv.	3.00	3.50
Toronto General Ins.	6.00	3.50
United Farmers Co-op.	2.50	....
United Steel A pfd.	24.00	26.00
Victoria Trust & Svgs.	132.50	....
Waterloo Manufac. com.	5.00	6.00
Western Assur. com.	63.00	68.00
Western Grain com.	.40	1.00
Do. pfd.	17.50	19.50
York Trading com.	12.00	....

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	140.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	124.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.3	302.5	145.3	110.4	133.4	121.8	109.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	112.6	130.6	120.1	106.4
Apr.	180.9	242.3	122.8	64.4	180.1	128.6	281.6	136.8	110.3	130.1	117.7	104.8
May	180.3	234.7	120.2	66.9	177.0	127.5	279.5	136.4	109.2	130.7	115.6	104.4
June	177.1	244.5	119.7	67.9	178.0	126.7	289.3	135.8	110.5	129.2	116.7	105.3
July	183.4	261.0	119.3	68.8	179.7	127.3	307.2	136.6	110.6	129.0	120.2	107.4
Aug.	182.1	255.4	117.8	66.6	178.8	126.9	303.1	135.0	108.8	129.4	117.1	105.8
Sept.	178.7	258.6	117.2	64.2	176.2	124.4	304.0	132.9	109.8	128.6	116.9	104.1
Oct.	185.4	275.4	118.1	63.5	180.3	121.7	320.0	133.9	108.9	128.8	117.0	105.5
Nov.	188.0	281.9	119.0	65.1	191.1	121.1	324.0	138.2	107.0	135.0	114.7	107.2
Dec.	190.2	271.4	116.2	65.8	188.6	121.8	321.0	136.1	102.6	133.6	112.1	106.3
1948: Monthly Figures:												
Jan.	189.8	261.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.2
1948: Weekly Figures:												
Feb. 5	183.5	248.3	109.0	66.6	187.3	113.9	303.3	126.1	99.6	130.9	111.6	104.2
Feb. 12	173.7	236.9	104.6	64.1	181.8	112.2	288.1	121.1	95.5	128.4	109.3	100.6
Feb. 19	177.3	241.4	104.4	65.9	184.3	111.1	293.4	121.4	97.3	130.8	110.6	101.9
Feb. 26	184.3	244.2	103.9	66.5	187.8	110.1	291.6	121.4	98.2	128.8	109.9	102.1
Mar. 4	185.4	246.2	104.1	65.4	188.7	110.0	291.1	121.1	98.1	127.7	107.8	101.4
Mar. 11	188.4	245.3	104.6	64.7	188.8	109.9	287.4	122.1	97.6	128.5	107.2	101.3
Mar. 18	184.1	235.4	105.8	64.0	179.6	108.5	277.7	120.3	95.7	128.8	105.5	99.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 22	173.66	51.76	32.71	63.04
Mar. 20	173.12	51.78	32.62	62.90
Mar. 19	169.67	50.40	32.29	61.64
Mar. 18	166.92	60.67	49.56	31.90
Mar. 17	166.24	49.46	31.88	60.49

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 16	165.39	48.90	31.86	60.13
Month ago	167.60	48.52	31.75	60.46
Year ago	176.40	48.55	35.70	62.31
1947-48 high	186.85	53.85	37.55	67.10
1947-48 low	163.21	41.16	31.65	57.33

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 22	157.91	94.88	82.55	32.49
Mar. 20	155.95	95.44	81.56	32.55
Mar. 19	153.57	94.79	80.04	31.81
Mar. 18	153.15	95.23	80.47	30.25
Mar. 17	151.46	94.67	79.60	30.03
Mar. 16	149.13	91.87	77.67	28.68
Month ago	157.63	101.58	82.62	32.55
Year ago	174.47	107.43	87.86	24.64
1947-48 high	184.21	120.26	96.14	37.77
1947-48 low	149.13	91.87	77.67	22.28

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	13 Golds
Mar. 22	71.5	111.0	99.3	311.94	67.82
Mar. 20	70.9	110.5	97.3	315.98	66.78
Mar. 19	70.7	109.5	96.6	305.45	66.83
Mar. 18	70.9	109.7	96.8	301.40	67.38
Mar. 17	70.9	109.0	96.2	298.64	67.02
Mar. 16	70.9	108.9	95.7	290.36	65.98
Month ago	72.0	112.7	99.2	316.06	72.88
Year ago	76.2	123.9	108.9	341.97	71.08
'47-'48 high	78.8	130.0	112.8	365.50	82.09
'47-'48 low	70.7	108.1	95.7	287.28	65.98

Company Meetings

1948	Company	Place
Mar. 25	B. C. Power Corp.	Vancouver
Mar. 25	Springer Sturgeon G.	Toronto
Mar. 27	Pres'd Metals	Port Huron, Mich.
Mar. 31	Cassidy's	Montreal
Mar. 31	Canada Starch	Montreal
Mar. 31	Candn. N. W. Land	Toronto
Mar. 31	Candn. Oil	Toronto
Mar. 31	Eddy Paper Co.	Hull, Que.
Mar. 31	Macassa Mines	Toronto
Mar. 31	Preston East Dome	Toronto
Mar. 31	Rolland	Montreal
Mar. 31	G. Tamblyn	Toronto
Apr. 2	Aunor Gold	Toronto
Apr. 3	Quinte Milk	Wellington, Ont.
Apr. 5	Abitibi P. & P.	Toronto
Apr. 5	Caldwell Linen	Iroquois, Ont.
Apr. 5	United Corp.	Montreal
Apr. 6	J. S. Mitchell	Sherbrooke
Apr. 7	Hollinger Cons.	Montreal
Apr. 8	Barcelona Tract'n	London, Eng.
Apr. 9	Fanny Farmer	Bronx, N.Y.
Apr. 12	London Can. Invest.	Montreal
Apr. 14	Celanese	New York City
Apr. 15	Candn. W. Lumber	Vancouver
Apr. 15	Dom. Tar & Chem.	Montreal
Apr. 15	Hallnor Mines	Toronto
Apr. 15	La Luz Mines	Toronto
Apr. 20	Ottawa L. H. & P.	Ottawa
Apr. 21	Borden Co.	Flemington, N.J.
Apr. 23	Price Bros & Co.	Quebec City
Apr. 26	Can. Iron Foundries	Montreal
Apr. 28	Asbestos Corp.	Montreal
Apr. 28	Intn'l. Nickel	Toronto
Apr. 28	Western Grocers	Winnipeg
Apr. 29	Montreal Tramways	Montreal
Apr. 30	Hud. Bay Mng. & S.	Toronto
Apr. 30	J. A. Lang & Sons	Toronto
May 5	Can. Pac. Rlwy.	Montreal

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡Mercury Mills 1st mtge. ser. A	3½%	1948-52	Apr. 15	101
Do.	4%	1959	Apr. 15	103
♦Rio de Janeiro Tram. L. & P. mtge. bds.	5%	1958	Apr. 1	par
‡York St. Bldgs. 1st mtge. bds.	5%	1953	Apr. 1	100

‡All outstanding.
♦French and English series, $736,416.

Bond Tenders

12 noon, Mar. 24, 1948, Dominion of Canada Treasury Bills—Payable June 25, 1948, $75,000,000, dated Mar. 25, 1948.

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pr. pf. $2.50	.62½	Apr. 1	Mar. 1
Do. pf. $1.50	.37½	Apr. 1	Mar. 1
Acadia Atlantic A	.25	Apr. 1	Mar. 10
Acme Glove	.25	Apr. 1	Mar. 15
Agnew-Surp. Shoes	.12	Jun. 1	Apr. 30
Aluminum 4% pf.	.25	Jun. 1	May 4
Amer. Cyanamid	†.25	Apr. 1	Mar. 4
Do. 3½% pf.	†.87½	Apr. 1	Mar. 3
Anglo-Can. Tel. pf.	.56¼	May 1	Apr. 9
Anglo-Can. Oil	.05	Apr. 8	Mar. 25
Argus Corp.	.15	Jun. 1	Apr. 30
Do. 4½% pfd.	1.12½	Jun. 1	Apr. 30
Asbestos Corp.	.25+.05	Mar. 31	Mar. 8
J. H. Ashdown Hdwre. A	.15	Apr. 1	Mar. 10
Atlas Steels	.25	May 1	Apr. 15
Auto Fabric A	.15+.40‡	Apr. 1	Mar. 15
Do. B	.10	Apr. 1	Mar. 15
Bk. of Nova Scotia	.30	May 1	Apr. 15
Beatty Bros.	.60	Apr. 1	Mar. 5
Beaver Lumber, A	.25	Apr. 1	Mar. 10
Do., pfd.	.25	Apr. 1	Mar. 10
Beld.-Cort.	1.50	Apr. 1	Mar. 15
Do. 7% pfd.	1.75	Apr. 1	Feb. 28
Belgium Glove	.15	Apr. 1	Feb. 28
Do. 5% pfd.	.25	Apr. 1	Mar. 15
Bell Telephone	2.00	Apr. 15	Mar. 15
Biltmore Hats	.10	Apr. 15	Mar. 31
Do. cl. A	.25	Apr. 15	Mar. 31
Brantford Cord.	.12½	Apr. 15	Mar. 31
Do. pf.	.32½	Apr. 15	Mar. 20
Brazilian Tract. pf.	1.50	Apr. 1	Mar. 15
Br. Amer. Assur.	1.75	Apr. 1	Mar. 26
Br. Amer. Oil	.25	Apr. 1	Mar. 4
Do. 3¾% pfd.	.234375	Apr. 1	Mar. 4
B. C. Elec. pf.	1.00	Apr. 15	Mar. 31
B. C. Power A	.40	Apr. 15	Mar. 31
Brewers & Dist.	.50+.30	May 20	Apr. 20
T. G. Bright	.25	Apr. 15	Mar. 31
Stan. Brock A	.15	May 1	Apr. 10
Do. B	.10	May 1	Apr. 10
Building Prod.	.35	Apr. 1	Mar. 12
Burlington Steel	.25	Apr. 1	Mar. 10
Burns & Co., A	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do., Cl. B	.25	Oct. 24	Oct. 7
Do.	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 24	Oct. 7
Calgary Pwr. pf.	1.00	Apr. 1	Mar. 10
Cal. & Ed. Corp.	.05	Apr. 15	Mar. 31
Can. Bread B	.62½	Apr. 1	Mar. 8
Do. 4½% pf.	1.12½	Apr. 1	Mar. 8
Canada Dry pf.	†1.06¼	Apr. 1	Mar. 15
Can. Iron Foundries	.40	Apr. 15	Mar. 31
Do. 6% pfd.	.30	Apr. 15	Mar. 31
Can. Nor. Pwr.	.15	Apr. 26	Mar. 19
Can. Packers A	.75	Apr. 1	Mar. 1
Do. B	.25	Apr. 1	Mar. 1
Can. Perm. Mtge.	2.00	Apr. 1	Mar. 15
Can. St'mship Lines	.50	Apr. 15	Mar. 15
Can. Bank of Com.	.30	May 1	Mar. 31
Can. Var. 5% pf.	.31¼	Apr. 1	Mar. 20
Candn. Breweries	.50	Apr. 1	Mar. 1
Candn. Bronze	.50	May 1	Apr. 9
Do. 5% pfd.	1.25	May 1	Apr. 9
Candn. Can.	.31¼	Apr. 1	Mar. 10
Do. 1st pfd.	.25+.05	Apr. 1	Mar. 10
Do. 2nd pfd.	.15+.10	Apr. 1	Mar. 10
Candn. Cel.	.75	Mar. 31	Mar. 16
Do. pf.	.43¾	Mar. 31	Mar. 16
Do. $1 pfd.	.25	Mar. 31	Mar. 16
Candn. Cot.	.55+.50	Apr. 1	Mar. 1
Do. 6% pfd.	.30	Apr. 1	Mar. 1
Can. Converters A	.18¾	Apr. 30	Mar. 27
Cdn. Fairb'ks-M. p.	1.50	Apr. 15	Mar. 31
Candn. Food	.12½	Apr. 1	Feb. 27
Do. A	.25	Apr. 1	Feb. 27
Do. 4½% pfd.	1.12½	Apr. 1	Feb. 27
Candn. For. Inv. Corp.	1.75	Apr. 1	Mar. 1
Candn. Ice Mach. A	.20	Apr. 1	Mar. 18
Candn. Gen. Elec.	2.00	Apr. 1	Mar. 13
Candn. Gen. Inv.	.17½+.20	Apr. 15	Mar. 31
Candn. Ing.-Rand.	1.50	Apr. 15	Mar. 31
Candn. Ind. Ltd.	.17½	Apr. 30	Mar. 31
Do. pfd.	1.75	Apr. 15	Mar. 15
Candn. Motor Lamp	.15+.30	Mar. 25	Mar. 12
n. Oil Cos. 4% pf.	1.25	Apr. 1	Mar. 10
Do. 5% pf.	1.25	Apr. 1	Mar. 10
Do. 8% pf.	2.00	Apr. 1	Mar. 10
n. Refrac. 4½% p.	1.12½	Apr. 15	Mar. 31
n. Inv. Corp.	.10+.05	May 1	Apr. 15
ndn. Pac. Rly.	.75	Mar. 31	Mar. 5
ndn. Silk	.37½	Apr. 1	Feb. 23
n. Vickers pf 7%	1.75	Apr. 1	Mar. 1
nda. West. Lumb.	.10	May 1	Apr. 10
	.10	Apr. 15	Mar. 18
	.10	Jul. 15	June 17
ndn. Westinghse.	.10	Oct. 15	Sept. 17
	.50	Apr. 1	Mar. 12
sidy's pf.	1.75	Apr. 1	Mar. 15
Corp.	†.40	Mar. 31	Mar. 1
n. 1st pfd.	†1.12½	Apr. 1	Mar. 16
n. 2nd pfd.	†1.75	Apr. 1	Mar. 16
t. Can. Loan	2.00	Apr. 1	Mar. 15
ered Trust	1.25	Apr. 1	Mar. 15
terville Mines	.05	Apr. 30	Apr. 9
ano Ltd. 5½% p.	.27½	Mar. 31	Mar. 15
e Bar Knit. A	*.50	Apr. 15	Mar. 25
shutt Plow	.25	Jun. 1	May 1
ined Enter. pf.	1.25	Dec. 1	Nov. 1
Alcohol	.08	Apr. 15	Mar. 31
8% pfd.	.10	Apr. 15	Mar. 31
l. Bakeries	.10	Apr. 1	Mar. 8
l. Bakeries	.25	Apr. 1	Mar. 6
Litho	.40	Mar. 31	Feb. 27
mers Gas	2.00	Apr. 1	Mar. 15
Press A n.	.16½	Apr. 1	Mar. 15
Crain	1.25	Apr. 1	Mar. 19
Creamery pf.	5.00	Mar. 31	Mar. 15
Trust	1.25	Apr. 1	Mar. 19
& Frere A	.25+.75	Mar. 31	Mar. 15
B	.25	Mar. 31	Mar. 15
Mines	.25	Apr. 30	Mar. 30
Bank	.35	May 1	Apr. 15
F'dries & Stl.	.35	Apr. 1	Mar. 10
Glass	.25	Apr. 15	Mar. 29
pfd.	.35	Apr. 15	Mar. 29
Square	.30	Apr. 15	Mar. 15
ar & Chem.	.25	May 1	Apr. 1
	.25	May 1	Apr. 1
Textile	.15+.15	Apr. 1	Mar. 1
% pfd.	1.75	Apr. 15	Mar. 15
ona P. p 4½%	1.12½	May 14	Apr. 15
& Mudge	*.50	Apr. 1	Mar. 1
ashing	.25	Apr. 1	Mar. 10
vest. Tr.	1.20	Apr. 1	Mar. 15
Brass A	.25	Apr. 15	Mar. 31
ckers 1st pf.	.62½	Apr. 15	Mar. 31
pfd.	*2.50	Apr. 2	Mar. 15
abrooks pf.	.35	Apr. 15	Mar. 20
Players	.25	Mar. 27	Mar. 12
armer	†.37½	Mar. 31	Mar. 12
Ins.	1.00	Aug. 16	Aug. 12
Oil & Gas	.12½	Apr. 1	Mar. 13
n Co.	.25	Apr. 22	Mar. 31
[illegible]	[illegible]	[illegible]	[illegible]
Niagara W. Weav.	.40	Apr. 1	Mar. 8
Nor. Star Oil p.	.08¾+.08¾	Apr. 1	Mar. 6
N. S. Lt. & Pwr.	.25	Apr. 1	Mar. 13
Ogilvie Flour Mills	.25	Apr. 1	Feb. 25
Ont. Beauty Sup. pf.	.25	Apr. 2	Mar. 20
Ontario Loan	1.25	Apr. 1	Mar. 15
Ont. Steel Pro.	.25	May 15	Apr. 15
Do. 7% pfd.	1.75	May 15	Apr. 15
Ottawa Elec.	.15	Apr. 1	Mar. 2
Ottawa L. H. & Pr.	.15	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Page-Hersey Tubes	.40	Apr. 1	Mar. 15
Power Corp. 1st pf.	1.50	Apr. 15	Mar. 19
Do. 2nd pfd.	.75	Apr. 15	Mar. 19
Preston East Dome	.01½	Apr. 15	Mar. 15
Price Bros.	4.00	May 1	Apr. 5
Provincial Pap. p.	.50	Mar. 15	Mar. 5
Que. Power	.25	May 25	Apr. 15
Que. Tel. A	.40	Mar. 30	Mar. 12
Renfrew Tex. A	.15	Apr. 1	Mar. 8
Riverside A	.50	Apr. 1	Mar. 15
P. L. Robertson	.50	Apr. 1	Mar. 20
Do. pfd.	.62½	Apr. 1	Mar. 20
Regent Knit. Mills	.40	Jun. 1	May 14
Do.	.40	Sep. 1	Aug. 13
Do.	.40	Dec. 1	Nov. 12
Rem. Rand	†.25	Apr. 1	Mar. 9
Do. pfd.	†1.12½	Apr. 1	Mar. 9
Robinson Cot.	.10	May 1	Apr. 1
Russell Ind.	.17½	Mar. 31	Mar. 12
Do. pfd.	1.75	Mar. 31	Mar. 12
St. Law. Flour	.40	May 1	Mar. 31
Do. 7% pfd.	1.75	May 1	Mar. 31
Saguenay Pwr. pf.	1.06	Apr. 1	Mar. 11
Sangamo Ltd.	.12½	Apr. 1	Mar. 20
Shaw. W. & Pr.	.30	May 25	Apr. 15
Sheep Creek Gold	*.01½	Apr. 15	Mar. 31
San Antonio Gold	.07	Apr. 15	Mar. 15
Seiberling Rubber 4% pf.	.50	Apr. 2	Mar. 2
Sher.-Williams	.20	May 1	Apr. 9
Do. 7% pfd.	1.75	Apr. 1	Mar. 10
Sicks Brew.	.20	Mar. 31	Feb. 27
Silverw'd Dair. A	.15	Apr. 1	Mar. 10
Do., B	.30	Apr. 1	Mar. 10
Silverwood West. Dairies 5% pf.	1.25	Apr. 1	Mar. 10
How. Smith Paper	.25	Apr. 30	Mar. 31
Do. pfd.	.50	Apr. 20	Mar. 31
So. Can. Pwr.	.30	May 15	Apr. 20
Do. 6% pfd.	1.50	Apr. 15	Mar. 19
Stand. Fuel. pf.	.56½	May 1	Apr. 15
Stand. Radio, A, B	.10	Apr. 10	Mar. 22
Springer Sturg.	.03	Apr. 5	Mar. 15
Stand. Pav. pf.	.62½+.25	Apr. 1	Mar. 1
Do. com.	.25	Apr. 1	Mar. 1
Steel Co. of Can.	.75	May 1	Apr. 7
Do. pfd.	.75	May 1	Apr. 7
Stovell Press 5% pf.	.12½	Apr. 1	Mar. 31
Sterling Trusts	1.25	Apr. 1	Mar. 15
Sun Life Assur.	5.00	Apr. 1	Mar. 15
Sylvanite Gold	.01½	Apr. 1	Feb. 14
Tamblyn	.25+.05	Apr. 1	Mar. 12
Do. 4% pf.	.50	Apr. 1	Mar. 12
Thrift Stores	.25	Apr. 1	Mar. 18
Tip Top Canners A	.25	Apr. 1	Mar. 20
Tip Top Tailors	.07½	Apr. 1	Mar. 1
Tooke Bros.	.10	Apr. 3	Mar. 15
Tor. Iron Wks.	.15+.15	Apr. 1	Mar. 15
Do. cl. A	.15+.15	Apr. 1	Mar. 15
Tor. Gen. Trusts	1.75	Apr. 1	Mar. 12
Tor. Mtge.	1.25	Apr. 1	Mar. 15
Trad. Fin. Corp. p	1.12½	Apr. 1	Mar. 15
Tuckett Tob., pf.	1.75	Apr. 15	Mar. 31
Twin City R. T. p.	†.62½	Apr. 1	Mar. 22
United Fuel 6% pf.	.75	Apr. 1	Mar. 10
United Steel	.12½	Mar. 30	Mar. 8
Verney Mills pf.	.87	Apr. 1	Mar. 8
Viau Ltd.	.25	Apr. 1	Mar. 10
Do. pfd.	1.25	Apr. 1	Mar. 20
Victoria Trust & S.	1.50	Apr. 1	Mar. 15
Wabasso Cot.	1.00	Apr. 1	Mar. 16
Walker-G. & W. sp.	.37½	Apr. 15	Mar. 19
Waterous Ltd.	.20	Apr. 15	Mar. 31
Wellington Fire Ins.	1.75	Aug. 16	Aug. 12
W. Koot. P. & L. 7% pfd.	1.75	Apr. 1	Mar. 23
West. Brew.	.40	Apr. 15	Mar. 31
Willson Stat. 8% pf.	1.25	Apr. 15	Mar. 31
Western Assur.	1.40	Apr. 1	Mar. 26
Western Grocers A	.50	Apr. 15	Mar. 15
Do. 7% pfd.	.35	Apr. 15	Mar. 15
Geo. Weston	.20	Apr. 1	Mar. 10
Wilsil Ltd.	.25	Apr. 1	Mar. 1
Wool Combing	.40	Apr. 10	Mar. 24
Woods Mfg.	.50	Mar. 31	Feb. 28
Wright-Hargreaves	.04	Apr. 1	Feb. 24

†N. Y. funds. *Initial.
‡Subject to approval of F.E.C.B.
¶For per. Jan. 1-Dec. 31/47.
▲Spec. tax-free distrib.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities.

PROVINCIAL

Province of Ontario—3% debentures, due Apr. 15, 1965, $40,000,000 dated Apr. 15, 1948. Offered at $99.75 and interest, to yield 3.09%, by Wood, Gundy & Co. Ltd.; A. E. Ames & Co., Ltd.; Dominion Securities Corp. Ltd.; R. A. Daly Co., Ltd.; Gairdner & Co., Ltd.; Bartlett, Cayley & Co., Ltd.; A. M. Ramsay & Co.; Brawley, Cathers & Co.; Anderson & Co.; J. L. Graham & Co., Ltd.; Charles H. Burgess & Co.; Flemming & Co.; Ormsby, Doherty & Co.; McLeod, Young, Weir & Co., Ltd.; Bell, Gouinlock & Co., Ltd.; Mills, Spence & Co., Ltd.; Royal Securities Corp., Ltd.; McTaggart, Hannaford, Birks & Gordon Ltd.; Midland Securities Ltd.; Cochran, Murray & Co., Ltd.; Harrison & Co., Ltd.; Fry & Co.; Matthews & Co.; Collier, Norris & Quinlan Ltd.; Burns Bros. & Denton Ltd., and Fairclough & Co., Ltd.

MUNICIPAL

Town of Leaside, Ont.—3% and 3¼% debentures, due Mar. 15, 1949-68, $300,000, issued Mar. 8, 1948. Sold at $98.049 to J. L. Graham & Co., Ltd. and Fairclough & Co., Ltd.

Village of Plessisville, Que.—3% debentures, due Oct. 1, 1948-62, $60,000, issued Mar. 9, 1948. Sold at $97.24 to A. E. Ames & Co., Ltd.

Township of Barton, Ont.—3% debentures, due Apr. 1, 1949-58, $30,257.76, issued Mar. 8, 1948. Sold at $98.89 to Anderson & Co.

Protestant School Commission of La Grande, Fresniere, Que.—3% debentures due July 2, 1948-67, $22,000, issued Mar. 9, 1948. Sold privately at $100.

Village of Laurierville, Que.—3% debentures, due Jan. 1, 1949-63, $6,000, issued Mar. 9, 1948. Sold privately at $100.

School Commission of the Village of Mistassini, Que.—3% debentures, due Dec. 1, 1948-57, $84,000, issued Mar. 9, 1948. Sold privately at $97.50.

School Commission of Repentigny, Que.—3% debentures, due Jan. 1, 1949-63, $15,000, issued Mar. 9, 1948. Sold privately at $100.

Town of Rimouski, Que.—3% debentures, due June 1, 1948-68, $56,500, issued Mar. 9, 1948. Sold privately at $100.

Village of St. George West, Que.—3% debentures, due Nov. 1, 1948-62, $60,000, issued Mar. 9, 1948. Sold at $96.45 to Grenier, Ruel & Co., Inc.

Village of Forest Hill, Ont.—3¼% serial installment debentures, due Apr. 15, 1949-68, $1,225,000, dated Apr. 15, 1948. Price on application. Offered by Dominion Securities Corp. Ltd. and Bell, Gouinlock & Co., Ltd.

CORPORATE

T. Eaton Realty—3¼% and 3½% first mortgage bonds, series A, due Mar. 5, 1950-56-68, $25,000,000, dated Mar. 15, 1948. 3½% sinking fund bonds offered at $100 and accrued interest by Dominion Securities Corp.

PREFERRED STOCKS

R. M. Ballantyne—$275,000, 5% cumulative redeemable preference shares, (par value $50). Sold at $50 per share to yield 5%, with bonus of one common share with each two preferred shares to Isard, Robertson & Co., Ltd. This issue is completely sold.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.50	$15.50	$14.16
Hogs	23.72	23.47	21.35
Copper, lb.	.21½	.21½	.21¼
Sugar, raw, lb.	.0490	.0490	.06125
Coffee, lb.	.25⅝	.25⅝	.27⅛
Hides	.23½	.24½	.27
Weekly Indices			
U. S. Labor	160.4	159.2	148.7
Dow Jones	144.24	142.31	132.78
Fishers	167.3	166.1	157.9
Monthly Indices			
Retail (Feb.)	150.1	148.2	127.8
W'sale (Jan.)	146.9	143.5	114.1
U. S. (Dec.)	163.1	159.5	140.9
Gt. Brit. (Dec.)	203.5	202.7	179.9

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Municipal Bonds

Mar. 23, 1948

	Coup.	Matur.	Bid	Ask.	Yld.
				$	%
Victoria	3½	'55-66	99		
Vancouver	3	'67	94½	102	3.44
Calgary	3¼	'51-61	99	97½	3.17
Edmonton	3¼	'42-59	99	101	3.12
Regina	3	'64	92	101	2.67
Moose Jaw	3-3½	'60	97	96	3.23
Winnipeg	3¾	'66	94	99	3.27
Ottawa	3	'64	101	95	3.25
Toronto	2¾	'72	91	103	3.02
Hamilton	3	'72	101¼	94	2.48
Windsor	2½	'75	73	103½	3.11
Windsor	3	'75	77	76½	2.25
Windsor	3½	'75	77	80	4.00
Montreal	3½	'70	94	80	3.83
Quebec	3½	'68	94	97	3.50
Halifax	3	'66	95	97	3.18
Saint John	3¼	'66	99	102	3.22

Market Comment

What stocks and bonds are doing and what prominent observers say.

Prospects of U. S. tax reduction, expected early action on the European recovery program and announcement of a definite U. S. stand on European affairs, were factors which combined this week to give the New York, and indirectly, Canadian industrial markets the best weekly push in six months.

Investors are now asking whether the huge Marshall Plan spending in U. S., Canada and South America might not be able to counteract the deflationary forces increasingly evident in the economy of these countries. They also see the possibility that in breaking sharply on the upside from the line of narrow formation which has endured for about six weeks, the market might now have indicated a major turn in the basic trend. The market's ability at early midweek to absorb substantial profit-taking was rather convincing evidence that a strong base might be forming near current levels for a further upward rise. According to Dow theory, the major trend will not have been definitely reversed until the industrial and rail averages cross their peaks of 186.85 and 53.85 respectively.

Canadian industrials, paced by papers, steels and base metals, followed the New York upswing. Specialty situations in such stocks as Brazilian, Abitibi, (which declared a $1 dividend) General Electric and Canadian Wire & Cable (which showed excellent operating results for 1947) and International Petroleum and Imperial Oil, involved in one of the biggest company deals of the year, helped bring new buying power into the market.

• • •

J. G. K. Strathy: Dominion Securities (Toronto): Security markets generally are going through a very unsettled period, and consequently, it is increasingly difficult to make constructive suggestions for the investment of funds. It is obvious from 1947 annual reports that earnings of many corporations in 1947 were the most spectacular in history; but with the stock market capitalizing these earnings ten times or less, it is evident that investors doubt industry's ability to continue making profits at these levels for any length of time.

Summing up the leading economic factors it would appear that,

(1) Growing consumer resistance to higher prices is evidence that the supply of goods in an ever increasing number of lines has overtaken demand, which, could bring about a drop in industrial production;

(2) Industrial expansion plans are being hampered by abnormally high building costs and by difficulties of raising new capital requirements in the security market;

(3) Many consumer goods inventories could involve substantial losses in any important business decline;

(4) The recent downward correction in certain commodity prices in the United States may be the indicator of further declines;

(5) Postwar earnings to a considerable extent have reflected rising prices with resultant inventory profits;

(6) Since the end of the war, an important part of Canada's export trade has been financed on credit extended to other countries, a practice which Canada can no longer afford, due to the serious reduction in the amount of our reserves of gold and U. S. dollars;

(7) Labor still appears to be demanding wage increases and other benefits but is not showing much evidence of increased efficiency;

(8) Devaluation of both the pound sterling and the Canadian dollar appears inevitable sooner or later, and, in fact, revalution of world currencies to more realistic levels may become incorporated in the practical application of the United States' plan of aid to Europe (ERP);

(9) ERP should commence operations this spring and Canada's share should amount to between $500 millions and $1 billion in the first year of the proposed five-year plan;

(10) World crop prospects appear satisfactory, but recent weakness in prices of farm products suggests that farm income is due for some contraction from the record high levels of the post-war years;

(11) In the international political field, Russia will no doubt continue the "war of nerves;" but active hostilities appear unlikely at this time. The growing tension will result in the Western democracies, under the leadership of Great Britain and the United States, adding emphasis to the build-up of war potential including the stock piling of base metals.

Based on the foregoing factors, the conservative investor should examine his securities with the object of achieving a well-balanced portfolio comprising the proper proportion of high-grade government and corporation bonds and sound preferred and common stocks, consistent with his requirements. Despite the fact that costs of living are abnormally high and may reach even higher levels, it might be considered prudent to accept a lower income from well-selected, sound securities rather than impair the security of the invested funds by purchasing high-yielding securities of doubtful value over the long term.

We suggest that a well-balanced portfolio for the average investor at this time requires from 45% to 50% in medium term Dominion and sound provincial bonds, 10% to 15% in the highest grade corporation bonds, 5% to 10% only in top grade preferred stocks and 25% to 30% in common stocks which can show a sound background of management, earnings and dividends coupled with a strong financial position. If these stocks represent companies producing a commodity with a growing export demand, particularly where the payment is in U. S. dollars, so much the better.

In considering common stocks, a good yield on a regular dividend basis appears to be the prerequisite because even "blue chip" stocks are tending to sell on a progressively higher yield basis with a minimum level of approximately 5% return.

A number of stocks which generally appear to satisfy the above factors, even though the yield may not in all cases have reached the 5% rate are:

Bell Telephone, Canada & Dominion Sugar, Dominion Textiles Com., Ford of Canada Class A, Imperial Tobacco, Moore Corporation, Shawinigan W. & P. Com., Steel of Canada, Hiram Walker G. & W., International Paper Com., Powell River Company, Price Brothers Com., British American Oil, Imperial Oil, McColl Frontenac, Aluminium Limited, Asbestos Corp., Consolidated Smelters, Hudson Bay, International Nickel, Dome Mines, McIntyre Mines.

In this connection it is suggested that where income is not of prime importance, an investor with cash can probably afford to wait to make purchases on declines or at least scale down purchases from present levels.

One stock in particular, Imperial Oil, selling to yield approximately 3.25%, has been included, on the grounds that any well - balanced account should have a holding of oil stocks because of the fundamental nature of the business and the possibility that Canada may uncover a significant oil producing territory in Alberta, which would undoubtedly benefit Imperial Oil in particular and McColl-Frontenac and British American Oil to a lesser degree. The potentialities of a fully integrated company like Imperial Oil are undoubtedly great, and a holding of base metals and newsprints with their much higher yields and present large earnings can be possibly considered as an offset in yield.

Finally, the possibility of devaluation of both the pound sterling and the Canadian dollar, though probably not imminent, justifies a hedge in the shares of senior producing gold mines even though the yields are much lower than the 8% to 10% figure one should expect from a company with a wasting asset, where a proportion of the income should be treated as a return of capital.

To sum up, the following table illustrates the yield obtainable from a balanced portfolio consisting of bonds, preferred and common stocks in the proportions indicated:

Type of Security	% of Capital Invested	Yield
Dominion and Provincials	45%	3.00%
Corporation Bonds	15	3.50
Preferred Stocks	10	4.40
Common Stocks	30	5.00
	100%	3.815%

• • •

H. J. Bird; H. J. Bird & Co. (Vancouver) Market strength since President Truman's speech indicates confidence that there will be no shooting war, in spite of Walter Winchell's and Drew Pearson's opinions. Coming elections in Italy on April 18 will test the strength of the Communists there.

I consider any opinion on the stock market based on ordinary yardsticks of business conditions to be futile until the present European political situation becomes clarified. I see no reason why investors should become panicky if they have a solid backlog of bonds and cash—at least 50% of holdings. I consider the most attractive groups at this time, the oils, and base metals, although many stocks look cheap in relation to earnings.

• • •

Stanton, Hatch & McCarthy (Toronto): There is no doubt that banks are viewing commercial loans more carefully and that production in many lines is catching up with demand. Commodity prices have shown a healthy drop. Perhaps a recession in general business, that could be rather severe, will be considerably lessened by the bolstering influence of European Recovery Plan spending both in the United States and, it is to be hoped, in Canada.

In conclusion, almost all industrial stocks are unusual bargains considering their earnings and dividends—but—until the clouds of fear and uncertainty clear, the investor might be well advised to delay fully committing his cash.

• • •

New Highs and Lows

During the week ended March 20, two new highs were recorded among the "general" stock exchanges, and 99 new low. In the mining group there was one new high and 144 new lows; one new low among western oils.

GENERAL

New Highs—1947-48

Viau Ltd.
J. S. Mitchell

New Lows—1947-48

Abitibi Pwr. & Pa.
Agnew Surpass.
Argus
Auto Fabric B
Bathurst Pwr. A
Beaver Lumber
Do. A
Bell Telephone
Brand & Millen
B. C. Elec. pf.
B. C. Packers B
Caldwell Lin. 1st pf.
Can. Safeway pf.
Can. Vinegars
Can. Breweries
Candn. Can.
Do. 1st pf.
Do. 2nd pf.
Can. Car
Do. A
Can. Cel. $1 pf.
Can. Fairbanks
Can. Food
Do. A
Can. Ind. Alcohol A
Do. B
Can. Int. & Tr.
Can. Locomo.
Can. Oil
Can. Utilities
Cochrane-Dun. A
Cons. Bakeries
Cons. Press A
Do. B
Consumers Gas
Cub Aircraft
Dom.-Anglo Inv.
Dom. Tar pf.
Eastern Steel
Eddy Paper
Electrolux
Esmond Mills
Fairchild Air
Famous Players
Fed. Grain pf.
For. Pwr. Secs.
Foundation
Gord. Mackay A
Harding Carpet
Hendershot Pap. pf.
Hunts A
Imp. Tob. 6% pf.
Ind. Accept. 4½% pf.
Ingersoll M. & T.
Int. Metal
Do. pf.
Int. Nickel
Jam. Pub. Ser.
Laura Secord
Maclaren Pow.
MacMillan Ex. B
M. L. Gardens
Massey Harris pf.
McCabe Grain A
McColl Frontenac
Melchers Com.
Monarch Knit.
Montreal Locomo.
Montreal Tel.
Nat. Brew.
Nat. Steel Car.
North Star Oil
Orange Crush
Do. warr.
Paul S. S.
Power Crp. 2nd pf.
Que. Power
Que. Pulp & Pa. pf.
St. Law. Pap. pf.
Shawinigan Pwr.
Do. pf.
Sherwin Wms.
Sicks Brew.
Do. v.t.
Simpsons B
Do. pf.
N. Slater
Stand. Chem.
Do. pf.
Stand. Pav. pf.
Tamblyn pf.
Tor. Elevators
Traders Fin. A rts.
Union Gas
United Steel
Wabasso Cot.
Western Grain
Wilsils
Windsor Hotel

MINING

New Highs—1947-48

United Keno

New Lows—1947-48

Akaitcho
Alger
Amal. Larder
Anglo-Rou.
Aquarius
Arjon
Armistice
Astoria Que
Athona '37
Aubelle
Aumaque
Aunor
Bagamac
Bankfield
Bayonne
Bear Explor.
Beaucourt
Beaulieu
Berens R.
Bevcourt
Bonetal
Bordulac
Bralorne
Brewis
Buffadison
Buff. Ank.
Buff. Can.
Buff. R. L.
Candego
Caribou
Cent. Pat.
Centremaque
Cheskirk
Chesterville
Chimo
Cochenour
Coniaurum
Cons. Beattie
Cons. C. Cad.
Conwest
Cortez
Cournor
Croinor
Delnite
Denison
Dentonia
Dickenson
Donalda
Duquesne
Duvay
East Amph.
East Sull.
Elder
El Sol
Falconbridge
Formaque
Forty-Four
Found Lake
Frobisher
Giant Y'fe.
Gillies Lake
God's Lake
Goldora
Goldvue
Guayana
Hedley M.
Heva G. M.
Highridge
Homer Y'fe.
Howey Gold
Island M.
Joliet Que.
Kelwren
Kenville
Kirk. H. Bay
Lake Wasa
La Luz
Lapa Cad.
Lapaska
Lingman L.
Lingside
Little L. L.
Louvicourt
Macassa
Martin McN.
MacDonald
Magnet
McMarmac
MacFie
McKenzie R. L.
Madsen R. L.
Moneta
Nib Y'fe.
MacLeod
Mining Corp.
Norpick
N. Marlon
N. Rouyn
Norsemen
North Inca
New Bidl'e
Osisko
Orenada
O'Brien
Perron G.
Paymaster
Paramaque
Pamour P.
Pickle Crow
Pioneer G.
Pitt G.
Powell R.
Do. v.t.
Privateer
Que. Gold
Que. Lab.
Que. Man.
Queenston
Quemont
Sannorm
Santiago
Sheep Creek
Sherritt G.
Siscoe
Sladen Mal.
Standard G.
Steeloy
Steep Rock
Sullivan C.
Sylvanite
Teck Hughes
Temiskaming
Thurbois
Trans. Res.
Union Mining
Upper Can.
Ventures
Villbona
Vinray
Westville
Wiltsey C.
Wingait
Wright-Har.
Ymir Girl

OILS

New Lows—1947-48

Roxana

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

March 23, 1948

Public Utility Issues	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
*Alg. Cen. H.B.R.	5	'59	62	66	64½
†Assoc. Tel. & T.	5½	'55	104	...	104
Bell Telephone.	3	'77	94½	97½	94½
B. C. Electric.	3½	'67	92	95	92
East Kootenay	3½	'67	92½	95½	92½
‡Gatineau Pr. D	3½	'70	96	99	96
*Do., C	3	'70	93½	...	93½
Gt. Lakes Pwr.	3½	'67	94½	97½	94½
*Int. Hydro-El.	6	'44	67½	70½	68
L. St. Law. Pr.	3½	'65	98½	101½	98½
†Mtl. Trams. A	5	'55	97	...	97
Nat. Lt. & Pr.	4½	'61	99½	...	100½
Ott. L.H. & P.	4	'57	100	...	100
Power Corp.	3½	'67	93	96	93
Quebec Pwr.	3	'62	96	99	96
St. Maurice Pr.	3½	'70	95	98	95
Shaw W. & Pr.	3	'71	93½	96½	93½
Do.	3½	'70	99	102	99
Union Gas	4½	'50	99½	102½	99½
United Secs.	3	'52	97½	100½	97½
Wpg. El.	3½	'71	100	103	100
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	94	97	94½
Acadia-Atlantic Sugar	3½	'65	98½	101½	98½
Aluminum Co.	3½	'74	101	104	101
B. C. For. Pdcts.	4	'66	92½	95½	93
B.C. Pulp & P.	3½	'67	94	97	94
Bowater's Nfld. P. & P.	3½	'68	96	99	97
†Brown Co.	5	'59	99	102	99
Burns & Co.	4	'63	96½	99½	97
Can. Steamship	3½	'57	99	102	99
Can. Brews.	3½	'67	92½	96½	92½
Can. Celanese	3	'62	96	99	96
Can. Oil	3½	'62	96½	99½	96½
Can. West Lum.	4	'62	97	100	97½
C. P. R.	3½	'51	102	105	102
Do.	4	'49	101½	...	101½
C.P.R.	4	Perp	101	104	102½
Consol. Paper	3½	'67	96½	99½	96½
Dom. Coal	4½	'52	100	...	100
Dom. Scott Inv.	3	'64	91	96	91
Dom. T. & Ch.	3½	'57	100½	103½	100½
Dom. Textile	3½	'59	101½	...	101½
Dom. Woollens	5	'64	99½	102½	99½
Dryden Pap.	4	'61	98	101½	98
E. B. Eddy	3½	'66	92	95	92
Federal Grain	4	'64	96	99	96½
Ham Cotton	3½	'59	99½	...	99½
Imperial Tobac.	2½	'66	94	97	94½
Indust. Accept.	3½	'66	94	97	94½
Lake St. J. P.	5½	'61	101½	104½	101½
Do.	5	'61	101	104	101
MacMillan (H. R.) Export	4	'65	99	102	99
Maple L. M.	3½	'63	97½	101½	97½
Massey-Harris	3	'66	92½	95½	92½
McColl Fron.	3	'71	93	96	93
McCormicks	4	'62	99½	...	99½
Mercury Mills	4	'59	99	...	99
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	94	97	94
N.S. Stl. Coal	3½	'63	92½	95½	92½
Price Bros.	3½	'66	96½	99½	96½
Silv. Dairies	4	'60-64	99	102	98½
Do.	4	'71	96½	99½	96½
Simpsons Ltd.	3½	'60	99	102	99
Steel Co. of Can.	2½	'67	91½	94½	91½
Toronto Elevat.	3½	'66	98½	101½	98½
United Corp.	4	'58	99½	102½	99½
†Western Grain.	5	'63	76	80	76
York Kt. Mills.	3½	'71	95½	99½	95½

*Payable in Can. or U.S.
†Payable in Can., U.S. or U.K.
*Payable in U.S.
‡Payable in Canada only.
▲Payable in Can. or U.K.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Mar. 23, 1948

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	103⅜	104¼
3	Mar. 1954	103¼	104¼
3	Nov. 1956	102⅞	103⅜
3	May 1957	101⅞	102⅞
3	Jan. 1959	100⅛	101⅛
3	June 1960	100¼	101¼
3	Feb. 1962	99⅞	100⅞
1⅞	Nov. 1950	100⅞	101¼
3	Oct. 1963	99⅞	100⅞
3	Sept. 1966	99⅞	100⅞
1⅞	Nov. 1949	100⅞	101
1⅞	Nov. 1948	100⅛	100⅞
Dom. of Canada Bonds:			
3¼	Nov. 1951	100⅞	101⅞
3¼	Feb. 1952	103¼	104
3	Oct. 1952	101⅞	102¼
3	June 1955	101⅞	102⅞
3	June 1958	101	102
4½	Nov. 1959	104½	105
3¼	June 1966	101½	102¼
3	Perpetual	98½	99½
4½	Nov. 1958	101⅞	102¼
Dom. Guarant'd Bonds Can. Nat. Railways:			
3	Jan. 1959	100½	101½
4½	Sept. 1951	*106¼	*108
4½	Feb. 1956	*110¼	*111⅞
4½	July 1957	*111¼	*112⅞
4¾	June 1955	*111¼	*112⅞
5	Feb. 1954	112	113⅞
5	Feb. 1970	*109	*110¼
5	Oct. 1969	*108¼	*109¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	*111¼	*113
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*98¼	*100¼
4	Jan. 1962	*108	*111
Montreal Harbour Com.:			
5	Nov. 1969	*108¼	*110
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956	100½	102¼
4½	Apr. 1961	114¼	116¼
5	Jan. 1960	116¼	118¼
2¾	June 1966	89⅞	91¼
Nova Scotia:			
3	Jan. 1952	101¼	102⅞
3¼	June 1956	100⅞	102⅞
3¼	Nov. 1950	102¼	103⅞
4½	Nov. 1960	121	124
5	Mar. 1960	122¼	125¼
3	June 1958	99¼	101¼
Ontario:			
3½	Nov. 1951	101¼	102⅞
3½	May 1955	102⅞	104
4	June 1962	118¼	121¼
4½	June 1950	104¼	106
4½	Jan. 1962	124¼	127
5	Oct. 1948	101¼	102¼
5	Dec. 1960	128¼	131¼
2¾	July 1976	90⅞	93¼
Ont. Hydro Commission:			
3½	Feb. 1953	101¼	102¼
4	Aug. 1957	115	118
2¾	June 1971	91⅞	93⅞
Prince Edward Island:			
4	Mar. 1954	101¼	103⅞
Quebec:			
3¼	Mar. 1959	101⅞	103¼
3¾	Feb. 1955	104¼	105⅞
4½	Aug. 1958	107⅞	110¼
4½	Jan. 1963	112⅞	114¼
3	Feb. 1962	99	100¼
4	Nov. 1952	103⅞	105¼
Alberta:			
3½	June 1964	99¼	101
3½	June 1959	102	104¼
3½	June 1972	100¼	101⅞
British Columbia:			
4	Dec. 1957	113	116
4½	Jan. 1951	102⅞	105¼
4½	Oct. 1953	114	117
5	Apr. 1954	117	120
2¾	Apr. 1966	92⅞	95¼
5	Sept. 1953	108⅞	111¼
Manitoba:			
4	Dec. 1957	113	116¼
4½	Dec. 1956	117	120
5	Dec. 1959	123¼	126¼
5½	Oct. 1955	114	116¼
Saskatchewan:			
4	Sept. 1954	98⅞	101¼
4	Nov. 1960	99	101¼
4½	Oct. 1951	107⅞	110¼
5	Aug. 1958	105¼	107⅞
4½	Mar. 1960	105	108
5	Dec. 1959	108	110¼
5½	Oct. 1952	104¼	107⅞
6	Mar. 1952	106¼	108⅞

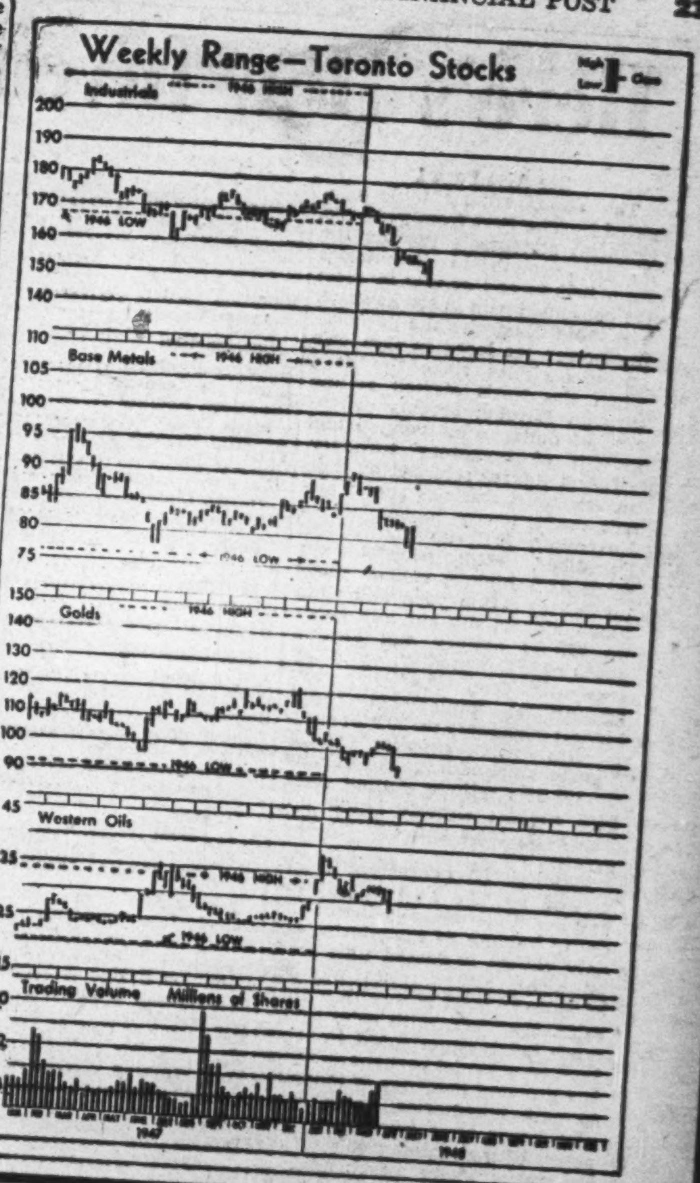
*N. Y. funds.

BUSINESS THIS WEEK

	FEB.	JAN.	DEC.	NOV.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dominion total revenue	....	244.3	233.7	214.9	256.6
Dom. total expend.	....	149.2	160.4	183.7	171.2
MERCHANDISING					
Dept. store sales index no. (1)	....	192.3	397.8	348.2	165.1
Retail sales index (no.)	....	....	328.6	274.4	282.2
Wholesale sales index (no.)	....	....	251.8	295.0	222.2
FINANCE					
Dividend payment index (5)	189.2	188.7	183.1	175.8	155.5
Bank debits	....	....	230.7	223.8	201.0
Money supply (millions $)	....	....	7,660	7,545	7,502
NEWSPRINT CAPACITY					
Production ratio	....	98.6	100.8	103.6	101.1
Shipment ratio	....	92.1	101.1	111.7	94.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	186.3	210.1	199.1	166.6	177.0
Cars (D.B.S.)	159.6	172.3	169.2	153.1	150.8
COST OF LIVING					
D.B.S.	150.1	148.3	146.0	143.6	127.8
EMPLOYMENT INDEX					
All industries	....	193.7	199.6	197.8	181.0
Manufacturing	....	200.1	205.1	205.1	190.6
Payrolls (June 1/41=100) (2)	....	178.2	193.2	189.1	150.2

	1947-48	1946-47	1947-48 Jan. 1 to date	1946-47	% Change
RAILWAYS—(000's omitted)					
aCarloadings (week Mar. 13)	74.6	72.7	783.9	742.3	+5.5
C.N.R. net rev. (Jan.)	—561	831	—561	831	—167.5
C.N.R. gross rev. (Jan.)	34,002	32,858	34,002	32,858	+3.5
C.P.R. gross rev. (Jan.)	24,926	23,359	24,926	23,359	+6.7
C.P.R. net rev. (Jan.)	103	187	103	187	—44.9
IRON AND STEEL (000's omitted) (Jan.)					
Pig iron production (tons)	160.0	177.3	160.0	177.3	—9.8
Steel production (tons)	256.7	249.8	256.7	249.8	+4.8
CONSTRUCTION (000's omitted)					
Contracts awarded (Feb.)	43,000	53,450	77,162	98,160	—21.4
aCement prod., bbls. (Jan.)	1,008	853	1,008	853	+18.2
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Jan.)	1,889	2,478	1,889	2,478	—23.8
aFlour exp., bbls. (Feb.)	770	1,231	1,761	2,610	—32.5
aWheat exp., bush. (Feb.)	7,280	8,101	18,781	22,299	—15.8
Cattle sales (Feb.) (4)	108.2	97.0	259.9	217.1	+19.7
Hog sales (Feb.) (4)	465.2	305.6	1,055.2	705.4	+49.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Jan.)	110.2	88.5	110.2	88.5	+24.6
Landed value $ (Jan.)	2.4	1.8	2.4	1.8	+33.3
NEWSPRINT (000's omitted)					
Production (Jan.)	372	370	372	370	+0.5
Exports, tons (Jan.)	345	347	345	347	—0.6
MINING AND OILS (000's omitted)					
aCoal prod. (tons) (Feb.)	1,151	1,136	2,537	2,837	—11.9
Gold prod. (fine oz.) (Dec.)	275	229	3,069	2,833	+7.9
Petroleum prod. (brl.) (Dec.)	767	598	7,729	7,607	+1.6
ELECTRICAL POWER OUTPUT (000,000's omitted) (Jan.)					
Total monthly kw.h.	3,754	3,851	3,754	3,851	—2.5
FOREIGN TRADE (millions of $)					
Imports (Jan.)	206.1	173.8	206.1	173.8	+18.4
Exports (Jan.)	235.4	208.6	235.4	208.6	+12.8
FINANCE (millions of $)					
Bank debits (Jan.)	6,491	6,216	6,491	6,216	+4.4
Bond sales (Jan.)	162.7	308.4	162.7	308.4	—47.3
Life insurance sales (Jan.)	99.0	101.4	99.0	101.4	—2.4
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
aShoe prod. (Jan.)	2,451	3,132	2,451	3,132	—21.8
aCigarette cons. (no.) (Feb.)	1,262	1,209	2,600	2,456	+5.9

(1) Base period 1935-39=100.
(2) All industries.
aNew items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.



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'WHEN' & 'WHAT'
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A-23

Here's How Inventories Have Grown

See Also Page 1

The accompanying table prepared by The Post from year-end financial statements records the marked growth in inventories from 1939 to end of war in 1945; the continued gain in stocks since. The table illustrates the purchasing power let loose in Canada's business circles since the days when the Nazis started rolling through Europe; reveals expansion of dollar sales volume and growth of inventory turnover.

Latest figures released by DBS on selected industries show: biscuit confectionery inventories in November, 1947, up 38.6% from December, 1946; miscellaneous foods 73% higher; rubber goods up 30.9%; cotton yarn and cloth 31.9% higher; silk and silk goods up 27.1%; hosiery and knitted goods 18.9% greater; primary iron and steel 22.4% greater; agricultural implements 13.2% higher; machinery up 20.9%; automobiles and supplies 22.4% higher; shipbuilding and repairs up 173.5%; railway rolling stock 26% higher; aircraft 11.5% up; hardware, tools and cutlery 25% greater, etc.

Majority of executives interviewed by The Post are of the opinion that steadily-increasing dollar volume of inventories not only reflect increased unit costs but also greater physical number of units to meet generally higher sales. However, with sales resistance being experienced in some lines — seasonal perhaps — there is a growing tendency of industry to pare inventories. Some business heads have commenced the policy of maintaining only nominal stocks where merchandise is readily available. In most cases some form of protective measures have been adopted against possible devaluation of inventory prices.

The experience of some exporters in partial — but important — loss of foreign markets through dollar shortage and subsequent accumulation of inventory, has exercised some influence on inventory control. Business heads, on the whole, are inventory conscious, giving greater concern to ratio of sales to inventory and gradually narrowing percentages a little closer to prewar levels. The days of inventory speculation are pretty well in the past.

Company	Fiscal Date	Year 1947	Year 1946	Year 1945	Year 1939
Textiles					
Cosmos Imperial	Dec. 31	859,809	623,629	697,669	464,485
Belding-Corticelli	Nov. 30	1,072,958	905,741	609,353	351,290
Bruck Silk	Oct. 31	1,958,290	1,516,275	1,287,939	631,203
Dominion Textiles	Mar. 31	5,984,514	4,646,488	5,018,030	3,989,054
Robinson Cotton	Dec. 18	1,895,065	1,198,684	945,002	†602,962
Hamilton Cotton	Dec. 27	1,541,667	818,064	550,745	529,681
Canadian Celanese	Dec. 31	3,237,697	2,243,799	1,895,275	1,308,111
Construction					
Building Products	Dec. 31	1,654,374	1,085,969	858,986	547,667
Brandram-Henderson	Sept. 30	581,286	418,889	367,115	459,000
Brantford Roofing	Oct. 31	251,829	213,842	205,316	......
Canada Cement	Nov. 30	3,070,123	1,844,446	2,139,994	1,607,578
Imperial Varnish	Aug. 31	551,614	603,283	484,702	315,058
Murphy Paint	Aug. 31	1,047,954	617,041	507,384	†417,227
Sherwin-Williams	Aug. 31	7,663,702	5,760,044	4,043,947	2,189,727
Gypsum, Lime	Nov. 30	1,269,047	881,982	735,700	602,626
Dominion Tar	Dec. 31	1,783,984	1,079,283	1,019,811	1,845,821
Foods, etc.					
Canada Vinegars	Nov. 30	543,409	298,831	259,097	385,970
Blue Ribbon	June 30	1,566,054	1,379,281	1,212,551	999,247
Catelli Food	Nov. 29	587,393	425,234	340,453	287,058
Manitoba Sugar	Mar. 31	872,298	599,863	683,699	*53,070
Merchandising					
J. S. Mitchell	Dec. 31	624,146	470,155	392,424	335,509
G. Tamblyn	Dec. 31	1,546,882	1,229,137	1,083,424	844,257
Simpsons	Jan. 7	17,405,655	15,710,414	10,341,252	7,567,079
Agnew Surpass	May 31	2,390,780	1,897,176	1,361,055	1,136,182
Willson Stationers	Apr. 30	703,622	515,227	470,974	380,048
Loblaw Groceterias	May 31	4,788,765	3,513,824	3,387,511	1,959,483
Western Grocers	Dec. 31	3,332,289	3,907,474	2,580,269	1,358,794
Lumber					
B. C. Forest	Sept. 30	3,243,197	1,592,467	857,387	......
H. R. MacMillan	Sept. 30	7,210,538	4,601,042	2,935,441	......
Canadian Western Lumber	Dec. 31	4,610,989	4,698,774	4,154,551	1,941,880
Iron & Steel					
Canada Iron Foundries	Dec. 31	1,962,471	1,239,515	1,542,309	863,184
Beatty Bros.	Aug. 31	3,102,118	2,126,839	1,625,982	2,041,137
Cockshutt Plow	Nov. 30	11153,112	8,020,323	4,774,407	3,222,526
Dominion Bridge	Oct. 31	5,337,594	4,106,929	4,000,241	2,748,388
B. Greening Wire	June 30	1,035,360	835,463	515,780	372,688
Hayes Steel	July 31	1,921,831	1,486,796	1,220,943	364,082
Kelvinator of Canada	Sept. 30	1,282,772	861,154	185,218	469,835
Massey-Harris	Nov. 30	35,961,398	26,598,195	21,987,331	12,215,081
Easy Washing	Dec. 31	285,096	225,210	168,732	142,530
Can. Westinghouse	Dec. 31	14,149,590	9,352,887	7,189,363	4,321,273
Rubber					
Dunlop Tire	Dec. 31	3,237,972	2,011,281	1,890,146	1,885,036
Goodyear	Dec. 31	9,902,185	7,265,098	7,043,308	4,816,206
Seiberling	Dec. 31	792,037	662,036	523,486	353,384
Miscellaneous					
Dominion Malting	July 31	983,449	540,617	428,466	......
Davis Leather	Dec. 31	2,875,160	1,305,906	820,842	......
Brantford Cordage	Aug. 31	1,127,252	236,243	224,200	669,483
Hart Battery	Oct. 31	481,882	259,646	259,403	179,220
Scythes & Co.	Nov. 30	546,160	406,965	224,076	§576,705
Dominion Oilcloth	Oct. 31	2,037,826	1,360,308	1,210,763	1,022,132
Harding Carpets	Oct. 31	1,830,212	1,669,489	1,338,662	273,759
Canada Starch	Dec. 31	3,406,345	1,558,718	1,056,840	1,238,418
Pulp & Paper					
Can. Wirebound Boxes	Apr. 30	911,303	587,859	590,878	171,138
Hinde & Dauch	Dec. 31	1,113,083	969,018	938,675	669,007
Donnacona Paper	Dec. 31	5,076,938	3,521,032	2,457,995	1,257,386
Fraser Cos.	Dec. 31	6,334,709	4,738,278	3,865,928	3,750,807
Price Bros.	Dec. 31	19,872,246	12,822,713	10,782,872	8,202,512
Provincial Paper	Dec. 31	2,801,526	1,813,092	1,652,381	1,228,843
Abitibi	Dec. 31	27,341,550	17,528,984	9,995,535	‡5,894,912

*1940—entering production. †1940. §1941. ‡General accounts.

T.S.E. Short Interest Lower

The semi-monthly short selling report of the Toronto Stock Exchange as of March 15 shows the aggregate short positions, eliminating odd lots, on the books of member firms at 389,762 shares of 132 issues, compared with 453,385 shares of 137 issues on February 28.

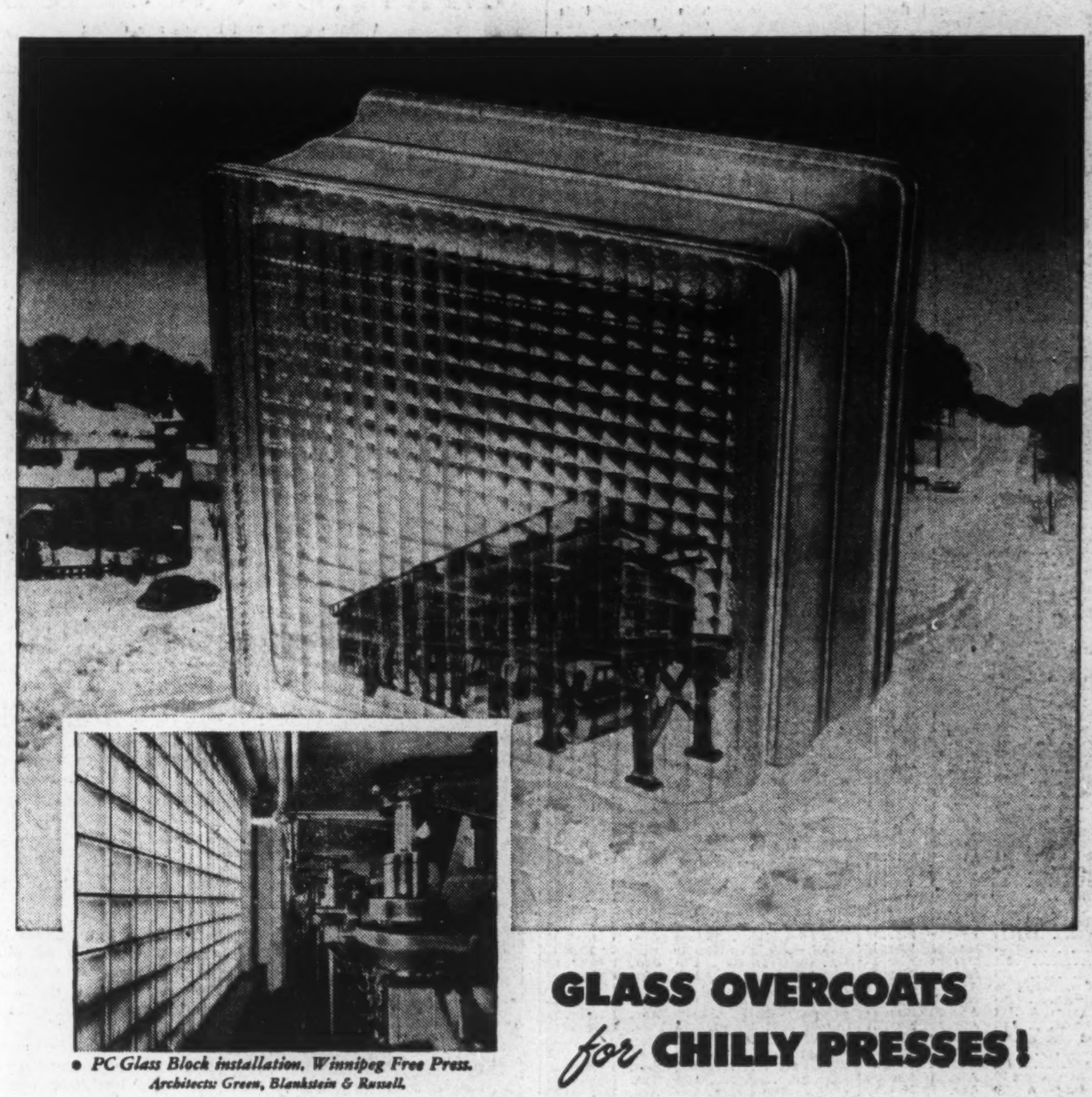
Largest changes of short positions in individual stocks were: Eldona 34,400 shares, down 35,300; British Dominion, 8,500, down 11,000; Silver-Miller 12,000, down 8,500; Negus 21,300, up 8,000; Beaulieu 500, down 6,500; MacDonald 9,900, down 6,300; Louvicourt 12,700, up 6,200; Isisko, 8,800, down 5,600; Heva 1,000, down 5,500 and Labrador 7,200, up 5,500.

Principal changes in the industrial stocks were: Canadian Breweries 2,872, up 722; Massey-Harris 1,500, up 650; Winnipeg Electric 1,125, up 525; Argus 1,675, up 400; Fleet Mfg. 1,800, down 300 and Brown Co. 500, down 200.

Stock	Shares	Stock	Shares
Abitibi	300	Int. Paper	350
Algoma Stl.	150	Int. Uranium	2,500
Aluminium	50	Joburke	3,000
Amal. Larder	500	Joliet-Que.	2,500
Anglo Candn.	100	Kenville	5,000
Argus Corp.	1,675	Kerr-Addison	800
Armistice	7,000	Kirkland Lake	700
Atlas Steel	200	Labrador	7,200
Beaulieu	500	Laguerre	5,000
Bevcourt	2,000	Lamaque	100
Brand & M. A	600	Laura Secord	225
Brazilian	100	Lingman L.	500
B. C. For. Pr.	1,200	Little L. L.	1,000
Bri. Dom. Oil	8,500	Loblaw A	125
Brown Co.	500	Louvicourt	12,700
Buffadison	23,000	Lunward	1,000
Buffalo Ank.	3,200	Macassa	1,500
Calgary & E.	3,000	MacDonald	9,900
Callinan	11,000	MacLeod	1,700
Calmont	500	Madsen R. L.	2,500
Campb'l R L	1,000	Magnet	6,000
Can. Cement	350	Malartic G. F.	200
Can. St'mship	250	Marcus	3,000
Can. Brewer.	2,872	M'sey-Harris	1,500
Can. Malartic	500	McColl-Front.	100
C P R	2,590	McMarmac	4,000
Central Pat.	300	M & O Paper	750
Cent. Porc.	1,000	Mylamaque	7,000
Chesterville	2,400	Negus	21,300
Coch. Wins.	5,500	Normetal	200
Coniaurum	1,000	O'Brien	200
Cons. Smelt.	225	Okalta Oil	6,400
Conwest	500	O'Leary	800
Dickenson	1,400	Osisko Lake	8,800
Discovery	1,500	Osulake	3,000
Diversified	25,600	Page-Hersey	150
Dome	200	Paymaster	1,500
Dom. Coal Pr.	125	Pen-Roy	2,000
Dom. Fdry.	500	Piccadilly	2,000
Dom. Steel	1,400	Pickle Crow	1,200
Dom. Stores	100	Porc. Reef.	500
Dom. Textile	200	Pres. E. Dome	500
Donalda	17,100	Que. Lab.	12,500
Donnacona P.	150	Quemont	500
Dulama	5,000	Roybar	500
East Malartic	3,300	St. Law. Corp	200
East Sullivan	6,900	San Antonio	900
Eldona	34,400	Sand River	5,000
Eureka	4,200	Sherritt Gor.	2,945
Fam. Players	100	Silanco	1,500
Fanny Farmer	270	Silver Miller	12,000
Fleet Mfg.	1,800	Simpsons A	25
Foothills Oil	200	Simpsons B	100
Ford Motor A	100	Spring. Stur.	500
Giant Y. K.	4,800	Stand. Chem.	500
God's Lake	2,500	Steep Rock	10,300
Golden Man.	900	Thompson-L.	500
G'dyear Tire	10	Utited Fuel B	100
Guayana	1,000	United Steel	325
Hard. Carpet	100	Ventures	300
Hasaga	1,000	Waite Amulet	100
Hayes Steel	50	Wekusko	1,000
Heva	1,000	Wiltsey Cog.	2,000
Home Oil	5,400	Winnipeg El.	1,125
Hosco	500	Yellorex	2,500
Imperial Oil	400		
Int. Nickel	175	Total	389,762

Firms Can and Do Call Themselves "Canadian"

Granted Dominion letters patent in 1947 were 177 companies whose names included the word "Canada" or "Canadian" (English and French versions), according to a Government answer in the Commons. There was a straight "no" to the question of whether it is now departmental policy to refuse applications for charter from companies incorporating those words in their title.



• PC Glass Block installation, Winnipeg Free Press.
Architects: Green, Blankstein & Russell.

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Every winter day, 1,248 hollow blocks of glass help the Winnipeg Free Press meet a deadline. They do it by keeping the press room warm.

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Much of Imperial's $80 Millions 'Stake' Planned for Pipeline, Refining Capacity

From Our Own Correspondent

CALGARY—Imperial Oil isn't going to spend that entire $80 millions it expects from sale of a 60% interest in International Petroleum Co. on exploration for oil in Western Canada alone. The "kitty" is earmarked for all various operational phases that go to make up a well-knit oil empire.

Pipelines, refining capacity, drilling of wells on proved Leduc ground, will likely take the major part of this sum. Undoubtedly large sums will also be spent on search for more of the elusive but very prolific pools of the Leduc type Devonian formation which underlies most of the Western Prairies.

Line Costs $30 Millions

The pipeline end of western oil plans will likely prove the biggest single item of expenditure. Intended for completion before the end of next year is a 600-mile pipeline from Leduc to Regina, swinging south through Alberta in the area east of Calgary. That line will cost an estimated $30 millions. When and if volume of production warrants, the line can be extended east to Winnipeg, and perhaps south to start an oil flow to the U. S., reversing the present importing of U. S. oil to the Prairie Provinces.

At Edmonton, upwards of $10 millions is being spent by Imperial on a refinery to process Leduc oil for Central Alberta. That plant will go into operation later this year. At Leduc, upwards of $1.5 millions is to be spent on a gas absorption plant. Additional sums may be spent on expansion of Imperial's big refineries at Calgary and Regina, as expanding prairie consumption requires.

Current spending on oil exploration and development by Imperial is running well over a million dollars a month, a rate somewhat short of the peak expected to be reached in coming months. Indicative of this is a statement a month ago by Imperial president Hewetson that expenditures in Western Canada alone this year will run about $20 millions. Of this sum, 50% to 70% will be spent on Leduc-Woodbend development, balance on exploration.

May Supply All Own Oil

Alberta and Saskatchewan are currently producing nearly 24,000 bbls. of oil per day. Imperial's Henry Hewetson has expressed confidence that, by the end of 1949, Prairie Province refineries can be served to extent of their current capacity (45,000 to 50,000 bbls. daily) with oil produced in the west. He believes that, in the not too distant future, Western Canadian oil development can reverse the current U. S. to Prairie Province flow of petroleum. He sees ahead Prairie self-sufficiency in oil, and a changeover to an exporting status — a prospect which hinges on more oil discoveries in the west.

In Alberta, Imperial's exploration and development program will reach a new high this year. At present the company has six seismograph parties, two gravitymeter parties and a magnetometer party in the field. Two more seismograph parties and a third gravitymeter party are being brought in. This pre-drill exploration is being carried out throughout Alberta, from the Grande Prairie region in northwest Alberta, the great Alberta Basin region centering on Leduc, southward to the Pincher Creek region adjoining the American border.

20 Drills Operating

At present Imperial has 20 drilling rigs in operation, including four of its own on wildcats in the Alberta Basin region, one of its own on extension drilling at Leduc, and a sixth of its own on the Muskeg venture in the foothills north of Jasper. (Muskeg is a joint operation with four other major companies). Imperial also has 14 contract rigs at work for it, including 13 engaged on Leduc field drilling and one engaged in the Blackfoot area near Lloydminster.

Exploratory drilling is to be further increased in Alberta. Imperial has two more heavy duty drill rigs coming in from the United States. Still more rigs may be brought in during coming months. One of the first jobs for the incoming rigs will be initiation of drilling on the Grande Prairie reservations.

Working in N.W.T.

In the MacKenzie River region of the Northwest Territories, Imperial is continuing geological investigation this year — a long-term program which has an eye on the future when Far North oil will not be too remote.

On the Gaspé Peninsula of Quebec, Imperial Oil is teamed with Gaspé Oil Ventures in drilling on the Bald Mountain anticline. The well is currently at 2,180 ft. Last week came word that the Gaspé program is being expanded. Imperial and Continental Petroleums (a subsidiary of Gaspé Oil Ventures) have jointly acquired 29,400 acres blanketing a structure known as the Mississippi anticline.

In Southwestern Ontario, near Tilbury, Imperial will continue this year an exploration and development program which has so far netted two small oil discoveries and a gas discovery.

Since Leduc, Imperial's geologists and geophysical parties have scouted over many hundreds of thousands of acres in Alberta. A dozen potential "Leducs" have been tested with the drill. These wildcats, as must most, were chalked up as failures. Like the many drilled the past year by other concerns, they added to the growing fund of subsurface knowledge but failed to yield pay-off production.

On the favorable side of the ledger since the discovery at Leduc is Imperial and California-Standard's Oil discovery at Bantry, whose importance is yet to be determined.

Osulake Drifting Opens Good Ore

Drifting east on the north ore body at the 150-ft. level of Osulake Mines has been in very good ore recently with a length of 63.4 ft. opened up averaging 0.605 oz. gold ($21) on face samples and $19.95 on muck samples across an average width of 5.3 ft.

This is not the full width of the ore section. This will have to be determined later by flat drilling or slashing. A further 40 ft. of drifting has been completed in material of similar appearance for which assays are not yet available. Surface drilling returned good commercial ore intersections for a length of over 225 ft. ahead of the present face.

Callinan Reopens Next to Flin Flon

Active exploration is to be resumed shortly on the extensive properties of Callinan Flin Flon Mines (1939) adjoining Hudson Bay Mining & Smelting Co., President J. W. Callinan informs The Financial Post.

Arrangements have now been completed with Radar Corporation for an electrical survey on the Callinan property similar to that which has been used successfully on the Sherritt Gordon ground at Lynn Lake. A geophysical party is expected to leave for the property within the next week or 10 days.

Officials are optimistic about the results that may be secured from the electrical survey. A magnetic survey, on which previous drilling was predicated, was apparently affected by power lines in the vicinity.

Approximately $31,000 is reported in the Callinan treasury following recent financing. Options are outstanding on 150,000 shares at 10 cents a share and 200,000 shares at 15 cents a share.

May Not Return Brokers' Bonds For Two Years

Brokers who gleefully learned that investment dealers will not be required to post bonds under the new 1947 Ontario Securities Act proclaimed March 9, aren't nearly as happy today. Those $5,000 bonds put up by Toronto brokers (and $2,500 for out-of-town brokers) aren't likely to be returned right away—not until Mar. 31, 1950, to be exact.

Toronto Stock Exchange members and nonmembers who paid a $50 yearly fee for a $5,000 indemnity bond, find their worries over; but not the firms which posted actual Dominion or other bonds to save that $50 yearly fee.

The "tempest in a teapot" on the bonding situation stems from this little clause in the 1945 Act:

"Every bond shall continue in force for a period of two years after the registration to which it relates lapses or is cancelled."

Indemnity bonds already cover clients the extra period, it turns out. But other brokers are "on the hook." A new investment firm starting up, of course, won't need any bond at all. A regular association-enforced audit is now supposed to assure solvency.

Rupununi Drilling Cuts Ore Values, Gets New Funds

According to cabled advice from General Manager A. E. Pugsley, Rupununi Gold Mining Co. (Canada), operating in British Guiana, has secured three ore grade intersections in hole No. 43 drilled in the Mazoa Creek area. From 141 ft. to 179 ft., values averaged 0.35 oz. uncut or 0.26 oz. cut; from 328 ft. to 337 ft., values averaged 0.76 oz., and from 358 ft. to 375 ft., values averaged 0.38 oz.

Sale of 250,000 shares of stock to a New York group for a total of $25,000 has been completed with options granted to the N. Y. group on a further 550,000 shares to produce an additional $125,000 with which to continue the company's development program.

Membership of the board of directors is being altered to give representation to New York financing interests.

Dickenson Mill Transfer Made

0.30 to 0.40 oz. Grade Seen Objective For Mill Treatment

All the Gold Eagle milling equipment has been transferred to the property of Dickenson Red Lake Mines, mill construction is due to start next month, and actual milling operations are expected in mid-summer, Dickenson shareholders learned at the annual meeting last week.

A long drive is now being put out to the south at the fourth level of the Dickenson workings to open the easterly extension of the Campbell zone where an ore grade of 0.65 oz. gold is stated to have been indicated by surface drilling. It is expected that this zone will be reached (midway along the drilled section) about the same time as the mill comes into operation.

By purchase of the Gold Eagle mill through issue of securities, the company saved itself a year in the time required to reach production. It is also stated that at today's prices, a 200-300 ton mill would cost anywhere from $300,000 to a half million dollars in cash.

From lateral work so far completed, the Dickenson management states that a grade of 0.30 to 0.40 oz. gold per ton is anticipated; but that with the opening of the extension of the Campbell zone, mill heads of 0.35 to 0.40 oz. gold per ton may be achieved.

Operating costs of $8 a ton are estimated, but the management anticipates that actual out-of-pocket costs may run considerably below this for a time, as a great deal of advance exploratory work has already been completed.

Porcupine Reef Starts Off At 150 Tons a Day in April

Regular production will be started by Porcupine Reef Gold Mines in April at an initial rate of 150 tons daily with ore being drawn from stopes on the 500- and 800-ft. levels, The Financial Post is informed.

This ore will be treated at the nearby mill of Broulan Porcupine Mines which has financed and directed development of the Porcupine Reef property.

500 ft. of Ore on One Level

Drifting on the main zone on the 500-ft. level of the Porcupine Reef property has indicated a length of 521 ft., which averages .52 oz. from chip sampling and .25 oz. from car samples over an average drift width of 6.9 ft. One raise being put up from this level has to date given from car samples an average of .90 oz. per ton, while a second raise has averaged .94 oz. Except for one point where two short diamond drill holes show a possible width of 21.5 ft. averaging .14 oz. mining widths have not yet been established.

On the 800-ft. level drifting has indicated two ore bodies, with a total length of 520 ft. East of the main crosscut a length of 318 ft. is indicated, with an average grade of .20 oz. from car samples and .35 oz. from chip sampling over an average drift width of 6.6 ft. West of the crosscut a length of 202 ft. shows an average grade of .21 oz. from car samples and .31 oz. from chip sampling over an average drift width of 6.8 ft. A raise put up on this shoot has so far shown an average grade from car samples of .25 oz. While diamond drilling at one location has shown a possible width of 21 ft., further slashing and sampling will be necessary to determine the width of ore which will be mined.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LA LUZ MINES experienced a drop in net profits to $187,672 or 13 cents a share in 1947 from $304,642 the previous year. This reflected an increase in operating costs of 65 cents to $3.94 a ton, not entirely offset by an increase of 42 cents a ton in recovery to $4.97 a ton.

Higher costs of materials, a 20,000-ton drop in tonnage treated and absorption of $27,646 of ore breaking costs in operating charges, were largely responsible for higher costs.

A comprehensive construction program has been worked out which when completed will permit handling of 2,000 tons of ore per day at substantially lower costs than now prevail, President George W. Tower reports.

Positive ore reserves showed an increase of over a million tons to 8,761,035 tons averaging 0.123 oz. gold per ton in three ore bodies. Including possible ore, reserves totalled 17,917,665 tons averaging 0.11 oz.

INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Bullion prod.	$2,446,073	$2,312,644
Less: Mkt. chgs.	54,264	37,467
Mining	842,265	693,264
Milling	517,617	487,410
Gen. & adm. exp.	368,906	300,713
Adm. exp. outside Nicaragua	81,171	73,592
Add: Invest. inc.	3,643	12,330
Prof. on secs.	33,257	6,647
Net earnings	618,750	739,175
Less: Depr.	140,505	128,726
Def. devel.	99,683	100,010
Depletion	96,256	100,010
Outside expl.	8,327	......
Nicaragua taxes	86,307	89,272
Loss on asset sale	......	16,515
Net prof. & surp.	187,672	304,642
Earnings per Share	$0.13	$0.21
None paid.		

CONDENSED BALANCE SHEET

As Sept. 30:	1947	1946
Cash & bullion	$682,196	$671,848
Govt. bonds	......	250,000
Accts. rec.	34,327	59,992
Mkt. secs.†	1,160,451	901,265
Mat. & supplies	919,865	951,762
Total curr. assets	2,796,839	2,834,867
Prep. & def. chgs.	338,883	119,599
Broken ore in stopes.	......	124,072
Development w/o	310,889	356,678
Invest.	307,303	778,299
Claims & props.‡	859,849	956,105
Plant & equip.*	1,180,562	1,064,358
Total assets	5,794,825	6,233,978
Wages pay.	10,353	9,885
Accts. pay. & accr.	76,294	62,334
Total curr. liab.	86,647	72,219
Capital stock	3,018,691	3,009,491
Surplus	▲3,688,987	3,152,268
*After depr. of	1,886,250	1,745,745
‡After depl. of	690,150	unstated

†Includes 310,600 shs. of Frobisher Exploration Co. in 1946, 296,600 shs. in 1947; 299,060 shs. of Eureka Corp. in 1946, 366,685 shs. in 1947; 500,000 shs. Guayana Mines and 17,810 shs. Giant Yellowknife G. M. in 1947.

▲After deducting $650,953 covering w/o of investments, advances, losses, etc.

Working capital	2,710,192	2,762,648

OPERATING STATISTICS

	1947	1946
Tons milled	481,278	500,050
Average recov.	$5.08	$4.62
Ore reserves, tons†	17,917,665	16,681,043
Grade ($35 gold)	$3.85	$3.64

†Positive and possible.

HOLLINGER CONSOLIDATED earnings in 1947 equalled 23 cents a share (35 cents a share in 1946). After paying 24 cents a share in dividends, there was an increase of over $84,000 in surplus in 1947 due to a $165,092 credit adjustment.

After treating 1,087,352 tons of ore during the year, reserves showed a decline of 223,256 tons to a total of 7,078,681 tons averaging 0.320 oz. gold per ton.

President Jules R. Timmins noted that work on the concession of Hollinger North Shore Exploration Co. has proven up 98,692,000 tons of ore while a further 41,126,000 tons of ore have also been proven up on the adjoining concession of Labrador Mining & Exploration Co.

Distribution of ore tonnages on the Hollinger North Shore Concession are as follows:

Deposit:	Long tons
Burnt Creek No. 3	5,258,000
Burnt Creek, No. 5	15,273,000
Burnt-Creek No. 6	8,827,000
Ferriman No. 3	16,674,000
Ferriman No. 5	18,141,000
Fleming No. 5	16,094,000
Goodwood	18,425,000
Total	98,692,000

With possible exception of the Goodwood, drilling was carried to "probable completion" on various deposits mentioned above. Further drilling is planned in 1948 in the Ferriman, Fleming and Goodwood areas while some preliminary drilling is anticipated on the Eclipse deposits and paralleling occurrences 10 to 12 miles to the east. Charters for construction of a railway from the St. Lawrence River to the ore deposits in Labrador and Quebec have been granted by the Dominion and Newfoundland Governments, it is noted.

Hollinger has also been active in the exploration fields. An option has been taken on 111 claims of Western Exploration Co. in the Kimberley area and additional ground has also been acquired there. A magnetometer survey has been completed and additional work will be done, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Production	$8,935,278	$9,742,065
Less: Oper. exp.	7,907,708	7,503,549
Net oper. earns.	1,027,570	2,238,516
Add: Int. etc.	308,618	445,913
Secs. sold	101,722	11,743
Young-David. profit	158,209	85,914
Total net earns.	1,596,119	2,782,086
Less: Deprec.	197,692	329,597
Invest. w/o	109,123	33,238
Prop. aband.	41,330	45,371
Profit taxes	137,982	629,486
Net profit	1,109,992	1,744,394
Less: Divds.	1,180,800	1,722,000
Deficit for year	70,808	*22,394
*Surplus.		
Earned per Share	$0.23	$0.35
Paid	0.24	0.35

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$969,491	$1,221,416
Govt. & other bds.	838,790	1,829,000
Accts. rec.	59,802	37,565
Accrued int	4,966	13,112
Mat. & supplies	1,594,626	1,330,442
Total curr. assets	3,467,675	4,431,535
Int. Bd. & Sh.■	3,374,110	3,374,110
Secs. of other cos.*	1,176,871	1,176,871
Int. other cos. & ppts.	3,312,805	2,481,508
Prep. & def. chgs.	516,612	568,749
Mining props.	22,307,835	22,238,902
Plant & equip.▲	380,192	479,514
Total assets	34,536,100	34,751,189
Total curr. liab.	758,115	1,067,488
Capital stock	24,600,000	24,600,000
Surplus	9,177,985	9,083,701
▲After depr. of	197,691	329,596
■Market value	5,083,806	5,174,734
*At cost which is less than market.		
Working capital†	2,709,560	3,364,047

†Not including investments in Int. Bond & Share at market value of $5,174,734 and securities in other cos. at cost of $1,176,871 in 1946; $5,083,806 and $1,176,871 in 1947.

OPERATING STATISTICS

	1947	1946
Tons milled	1,087,352	1,118,955
Average recov.	$8.22	$8.71
Ore reserves, tons	7,078,681	7,285,219
Grade ($35 gold)	$11.20	$11.24

LA SOCIETE DE PRETS ET PLACEMENTS DE QUEBEC 1947 net profit was $40,394—up $1,787. Total assets of $1,360,460 compared with $1,351,419 at the end of 1946. Mortgages were up slightly at $1,176,603.

	1947	1946
Liabs. to public*	$132,026	$133,006
Depr. of realty	11,789	11,789
Sh'holders' equity†	1,216,645	1,206,624
*Secured by:		
Mortgages	1,176,603	1,042,588
Realty for sale	51,089	51,089
Office furniture	258	379
Liquid assets‡	132,510	257,363
Total	1,360,460	1,351,419

†Includes $253,750 premium on sale of capital stock.

‡Includes bonds and stocks.

Earnings per share	$5.05	$4.83
Paid	5.00+1.00	5.00

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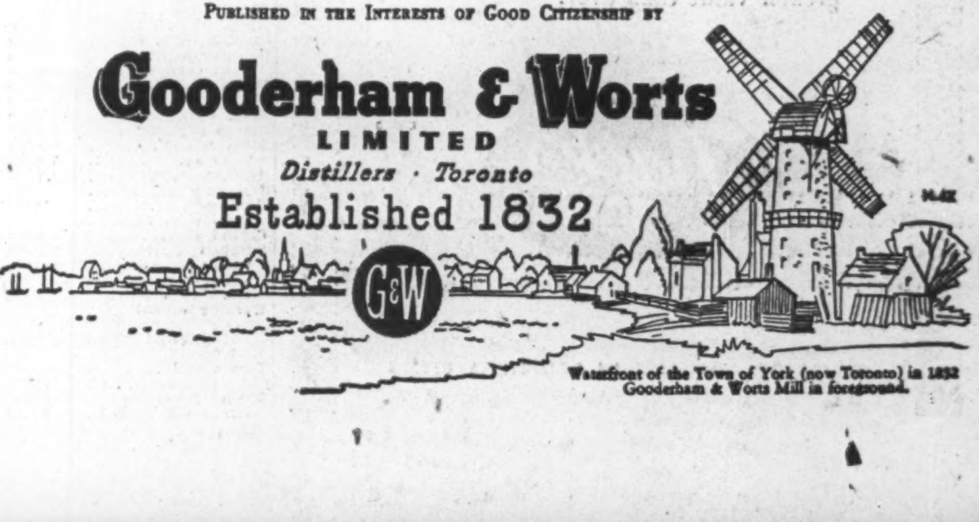

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Golds Hold Cash Position But Profits Off Sharply

A strong working capital position has been maintained by Canadian gold producers despite a sharp cut in their profits, Bank of Canada statistical summary for February indicates. It further shows, however, that for a three-year period, gold mines have been dipping somewhat into surplus to provide even reduced dividends to shareholders.

As at Jan. 1, 1947, 38 Canadian gold mines reported net working capital of $71.4 millions compared with $59.7 millions at Jan. 1, 1940. There was a sharp reduction of $7.8 millions in 1946 from the high of $79.2 millions at the beginning of the year.

Net income to shareholders, including refundable excess profits, totaled $10.8 millions in 1946 or just 25% of that reported in 1939. To pay dividends of $13.4 millions in 1946 (a third of 1939 dividends) 38 gold mining companies had to dip into surplus to the extent of $2.6 millions

Depreciation and deferred development charges show a sharp reduction from $8.2 millions in 1938 to only $3.0 millions in 1946. This may reflect, in part, reduction of depreciation allowances in efforts to maintain earnings available for dividends.

• • •

Rally Restores Confidence

The marked rally enjoyed by Giant Yellowknife, East Sullivan, Sherritt Gordon after the marked break of a week ago in the Canadian mining market has brought renewed confidence in most mining circles.

As pointed out in The Financial Post a week ago, companies whose shares were featured most prominently in the break, are not under the necessity of going to the public for further financing. Positions of the individual companies apparently were not effected by the sharp drop.

Undoubtedly, of course, many smaller mining properties which require further financing may be affected further. But if recovery is extended—and the recent rally in New York should assist this—then the results of the mining market break should not prove too severe.

• • •

Truman Aids "Metals"

President Truman's message to Congress on the critical need for national defense was interpreted as meaning increased demand for non-ferrous metals. Base metal stocks were pushed higher in both Canada and the United States.

While the United States government has a large stockpiling program in hand for strategic materials, demands of consumers have been so great that it has so far apparently proven impossible to stockpile any appreciable quantities without interfering with the regular continuity of peacetime business. Whether or not the United States government would endeavor to procure increased requirements in the open market remains to be seen. The possibility is that needed requirements might be filled by some rationing of available supplies.

• • •

It is recalled that German demand for non-ferrous metals caused a great boom in the base-metal mining business back in 1936 and 1937. Possibly, the Soviet Union has been able to secure considerable quantities of base metals through satellite nations since the end of the war. But known direct purchases of such metals have apparently been small. If another armament race is about to occur, however, the Soviet Union might conceivably become a considerably larger purchaser of such metals—and that angle will be watched with interest.

• • •

707 Mining DP's Arrive

A total of 707 DP's for employment in Canadian mines have now arrived in Canada with a further 203 scheduled to arrive this week, Canadian Metal Mining Association reports. More boats may be placed in operation in June, and if this proves the case, "Operation Europe" may be over as far as the mining industry is concerned by the end of the summer. A total of about 2,200-2,300 men are being brought over to the mines.

"There have been very, very few complaints indeed with respect to DPs arriving at Canadian mines," general manager V. C. Wansbrough of the Canadian Metal Mining Association reveals. "All indications are that these chaps are really settling down to be good Canadian citizens."

In its recently issued annual report for 1947, Hollinger Consolidated Gold Mines expressed its satisfaction with DPs in the following terms:

"The 75 displaced persons added to our working force give every indication of being entirely satisfactory. Their acceptance by their fellow workmen would seem to be equally satisfactory."

The mining industry has no current plans for bringing in any additional allotment of DPs as a considerable local labor supply has become available recently.

Eureka Corp. Able To Handle Water

E. V. Neelands, president Eureka Corp., advises that a steel door for protection against any excess flow of water has been installed by the company close to the 6th level station.

Work in the crosscut has now been resumed with no increase in water flow since passing the Martin fault, which is making about 500 gallons of water per minute, additional to the normal inflow of 1,150 gallons per minute.

While capacity of pumps is well above present total inflow, work on the crosscut is proceeding cautiously until the arrival of a new engine scheduled for about the end of March.

COMPANY REPORTS

ISLAND MOUNTAIN MINES CO. almost doubled its earnings to 10.5 cents a share in 1947, reflecting a major step-up in production. Due to shortage of competent underground men, however, there was some shrinkage in ore reserves.

"If the cost of supplies and labor continues to increase, consideration will have to be given to ceasing operations until general conditions show some improvement, because it is obviously not in the interests of shareholders to extract ore without making a profit," President F. W. Guernsey reports.

Slightly more than 10% of reserves at the end of 1947 represented ore opened in newly discovered ore occurrences while the balance represented extensions of known ore bodies.

PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1947	1946
Sales	$622,402	$353,319
Less: Oper. costs	472,596	265,202
Add: Int. earned	3,581	2,938
Prof. on invest.	•125	925
Prof. on equip.	......	1,453
Net income	153,262	93,433
Less: Deprec.	13,364	10,002
Income taxes	29,564	26,200
Net profit	110,334	57,231
Less: Dividends	84,057	73,550
Surplus for year	26,277	*16,319

•Loss. *Deficit.

Earnings per Share and Dividend Record:

	1947	1946
Com.: Earned	$0.105	$0.054
Paid	0.08	0.07

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$145,646	$132,018
Dom. bonds	......	105,750
Accts. rec.	10,840	6,065
Cons. M. & S. shs.	83,000	......
Inventories	94,638	73,373
Total curr. assets	334,124	317,206
Funds re divd.	14,915	......
Mtge. rec.	4,800	6,000
Prep. chgs.	1,425	45,478
Claims & prop.*	342,833	338,573
Plant & equip.▲	80,454	72,196
Total assets	778,551	739,453
Accts. payable	22,297	17,848
Tax reserve	562	7,105
Divd. pay.	14,915	......
Total curr. liab.	37,774	24,953
Capital stock	525,358	525,358
Surplus‡	215,419	189,142
*After depl. of	472,749	472,749
▲After depr. of	337,909	324,545
‡Incl. ref. EPT	4,122	4,122
Working capital	296,350	292,253

OPERATING STATISTICS

	1947	1946
Tons milled	41,197	20,807
Average recov.	$15.11	$16.98
Ore reserves, tons	58,700	63,000
Grade ($35 gold)	$16.17	$16.56

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OIL PRODUCTION

Alta. Holdings Extended By Amerada, Rio Bravo

From Our Own Correspondent

CALGARY—Amerada Petroleum Corp. of New York, American independent whose entry into Alberta oil exploration was announced last December, has added another 200,000 acres to its reservations in the Shoal Lake region northwest of Edmonton and in the St. Michael area northeast of Edmonton.

Amerada previously acquired reservation totaling about 650,000 acres in a "spread" between Calgary and Red Deer. Seismograph investigation of these started last month. One or more additional parties are slated to arrive later this spring, it is understood.

The Rio Bravo Development Co., subsidiary of Superior Oil Co. of California, has been granted an exploration reservation covering 64,080 acres of Crown oil and gas rights in the Acme-Swalwell area, about 32 miles northeast of Calagry.

Seismograph work on the reservation will be started in the near future. A Nance Exploration Co. contract seismic party, which has arrived at Calgary from Texas, will do the work for Rio Bravo.

• • •

B.A. Leases Foothills

B. A. Oil further broadening its oil exploration and development program in Alberta, has secured reservations on 200,000 acres of Crow rights on the fringe of the foothills belt west of Rocky Mountain House.

The new exploration reservations straddle the North Saskatchewan river and the Red Deer-Brazeau railway line, starting in Rge 8w5, a few miles west of Rocky Mountain House. The B-A reserves flank to the west the Alhambra Provincial petroleum reserve, one of the 14 large tracts in the province set aside as "Crown reserves."

British American will start a geological party to work on the new reservations soon.

A seismic party has just completed investigation of B-A holdings near Hanna, has now shifted to Chip Lake holdings 80 miles west and north of Edmonton. Another seismic party is now working for B-A in the Calmer area, just south of Leduc, where B-A has acreage interests. One of the B-A geological parties is working on the company's Peace River holdings, while the other is starting on the Rocky Mountain House reserves. Coming up for seismograph investigation are lands near Empress, due east of Calgary; at Milk River-Del Bonita, due south of Lethbridge.

At Leduc, B. A. Oil is currently participating in the drilling Continental-Leduc Nos. 2 and 3 wells, will be the major participant in the Continental-Leduc No. 8 and East Leduc No. 4 wells. B-A has also other irons in the fire.

• • •

Lloydminster Does Well

The Blackfoot-Lloydminster-Lone Rock region delivered 108,217 bbls. net oil during February, with 127 wells on production.

Meanwell Accounting Service of Lloydminster reports. Total net oil deliveries for the first two months of 1948 amounted to 227,120 bbls., a 450% increase over the 51,133 bbls. delivered last year.

PHILIPPE VALIQUETTE

has been appointed vice-president of La Librairie Beauchemin Ltd., Montreal, of which he was formerly director and sales manager.

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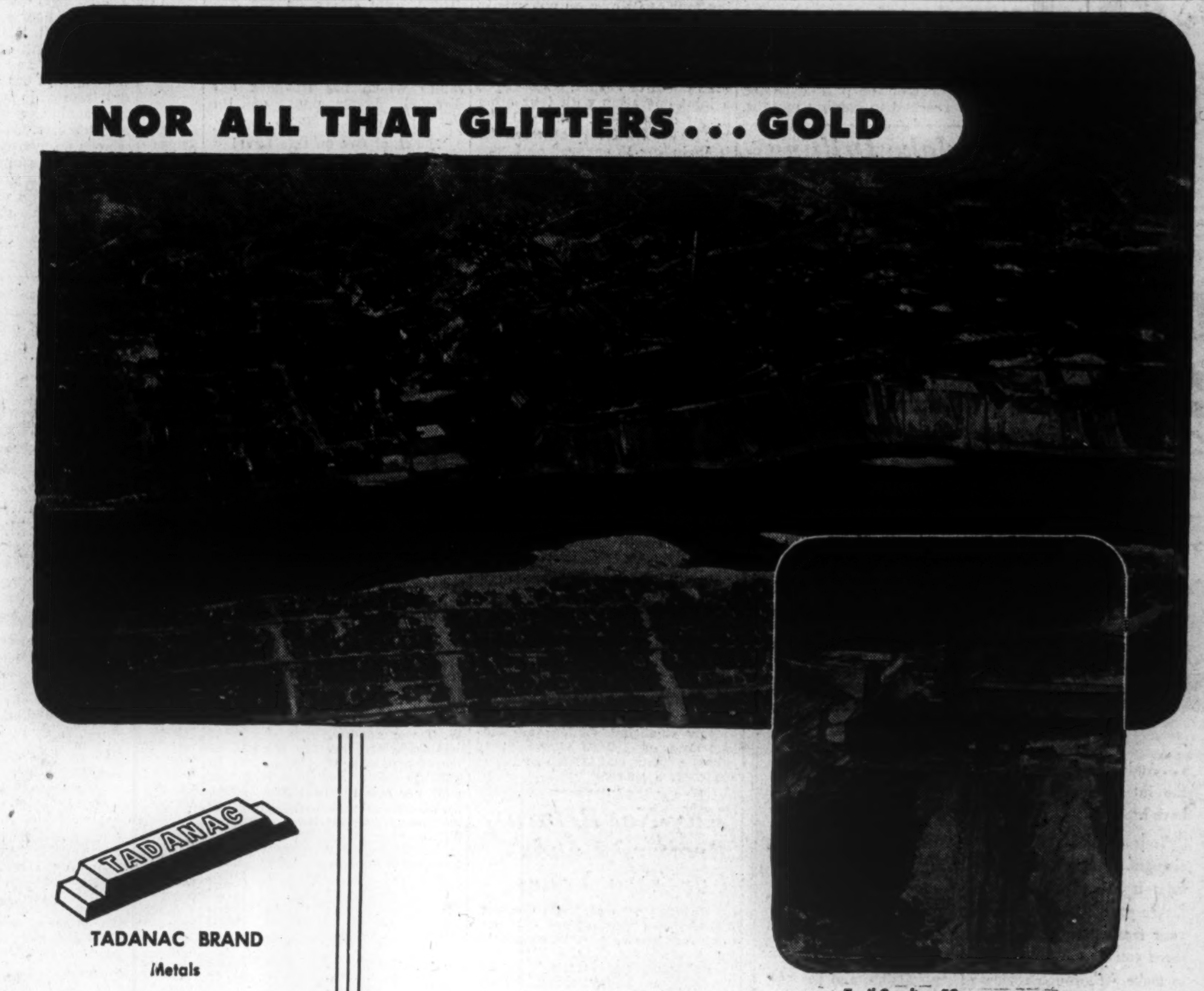
Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option Received No. Shares	Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Quesabe Mines	Mines Development Co.†	......	..	Dec. 9	1,883,326	10-75	....	....	Mar. 8
Teegana Mines	Particulars of sale of shares to public through officers of Co. on basis of 75% of proceeds to treasury, accepted for filing. Co. granted security issuer's registration permitting H. M. Somerville, L. J. Hutchinson and J. W. Fleming to sell shares.						4,000,000	1,170,000	Mar. 4
Valrex G. M.	Earl Hicks	1,000,000	11	Jan. 10	1,000,000	15-[illegible]	4,000,000	1,001,005	Mar. 2
West Lloyd Prospecting Synd.	A. J. Bonathon†	......	..	Jan. 23	25,000	$1-1.50	35,000	5,002	Mar. 2

†Optionee.

AMENDMENTS TO PREVIOUS AGREEMENTS

Extension: Granleduc Oils.
Option assigned: Ranrouyn Mines.
Accepted for filing: Kapika Prospecting Synd.



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Mine Operating Conditions Now Improve As Power and Labor Supply Much Better

By GORDON M. GRANT

A very definite improvement in mine operating conditions is rapidly making itself felt throughout the gold and base metal mining camps of Eastern Canada.

Easing of restrictions on use of power, and much better manpower conditions, are the chief favorable factors leading many officials to express optimism with regard to future trend of output.

Power Use Liberalized

On March 19, Ontario Hydro issued a new order permitting use of power in the Northeastern section of Ontario (Sudbury, Timmins, Cobalt, Kirkland Lake, etc.) up to 95% of maximum kilowatt hours used last November. Previously there had been a liberalization of power use from 85 to 90% of November consumption so that present curtailment is only a third of that at one time in effect. Mines in Red Lake had not been affected by the shortage.

With water reservoir conditions showing rapid improvement, mines in both Ontario and Quebec are expected to be back to normal shortly as far as power supply is concerned.

Experienced Men Return

Return to the mines of large numbers of experienced miners from lumber camps, and new labor forces of DPs have largely abolished the labor shortage. Improved housing facilities have also played their part in solving the chronic labor problems of the individual mine.

Throughout Northwestern Quebec and Ontario camps, the majority of mines now have adequate working forces for present requirements. Many mines are turning away applicants, other than experienced miners.

A remarkable increase in efficiency is reported by individual mine managements. There appears to have been an acceleration of this with the inflow of DP's. Absenteeism, rampant and unchecked for several years, is now being checked. Most managements will no longer countenance absenteeism for which no proper excuse is given, particularly, if there are applicants ready to put in a full week's work. Many inefficient and ineffective employees, carried on the payroll of necessity, for years, have been replaced in recent months. The DPs are showing an eagerness to work and learn. Many are already being employed as "machine helpers" or are undergoing training for other specialized work.

Operating Costs Move Lower

The long-awaited reversal of manpower available is being reflected in current operating schedules and in development. Obviously there is still a long way to go. Employment dropped approximately 50% from the high of 30,600 in 1939 to the low of 1947. Many of the mines have had to keep going underground with only 25% to 30% of normal crews. Operating costs however, are now beginning to show a downward trend with increased tons per man shift due to more efficient working forces.

There is no expectation of any return to operating costs which prevailed in the prewar period. Wage levels are up 30%; and there has been a very substantial increase in the cost of supplies.

Efforts are being made to offset these increases by greater technical efficiency wherever possible. More complete mechanization and electrification of mines is proposed together with adoption of labor-saving appliances wherever possible.

These Mines to Expand

A recent survey indicates 11 Northwestern Quebec mines which propose an expansion of output this year: Malartic Gold Fields, Canadian Malartic, Sullivan Consolidated, Lamaque, Sigma, East Malartic, Perron, O'Brien, Powell-Rouyn, Consolidated Beattie and Senator-Rouyn.

In the Porcupine and Kirkland Lake camps, another 11 mines are expected to expand output: Dome, Lake Shore, Hollinger, McIntyre, Kerr-Addison, Macassa, Kirkland Lake Gold, Chesterville, Pamour, Paymaster and Coniaurum.

In Northwestern Ontario, eight producers are expected to achieve higher production levels: Central Patricia, Pickle Crow, Cochenour-Willans, Madsen Red Lake, Hasaga, San Antonio, Leitch and MacLeod-Cockshutt.

Besides these operations, Campbell Red Lake, Starratt-Olsen, Porcupine Reef, Rouyn Merger and Hosco have plans to enter the ranks of producers this year. Bevcourt, Croinor and Lake Wasa also have milling plans under consideration.

Favorable action with regard to passage of the Dominion "cost-aid" plan, it is suggested, may be an important factor in resulting of finalization of mill plans by those companies which have not already made a mill decision.

Pacalta-Maple Leaf 'Holders Approve Leduc Acreage Deal

Shareholders of both Pacalta Oils Co. and Maple Leaf Oil Co. have ratified the deal under which the latter will turn over its interest in 1,040 acres of leaseholds in the Leduc oil field for consideration of 1,600,000 shares of stock in New Pacalta Oils Co.

New Pacalta Oils Co. which succeeds Pacalta Oils on a one-for-four share basis, has completed a financing deal with Romaine Management Ltd. under which sufficient shares of the new company are being firmly underwritten at 18 cents a share to produce $10,000 with options granted on a further 350,000 shares at 20 cents a share, 400,000 shares at 25 cents a share, 200,000 shares at 30 cents a share, and a final block of 200,000 shares at 35 cents a share. Payment is to be made at $10,000 per month for 12 months commencing one month after the firm payment, and balance in six equal consecutive monthly payments.

Interest in the acreage deal is centered on drilling by Imperial Oil of its Eyot No. 1 well within 1,000 ft. of one of the blocks of leasehold acreage involved. This well is now down below the 4,200-ft. point and is being drilled on a seismic "high."

Detta Red Lake Crosscuts Veins

High grade vein zones indicated in surface drilling are expected to be intersected within the next 60-75 ft. in the crosscut now going out at the 254-ft. level of Detta Red Lake Mines, shareholders learned at the company's annual meeting last week.

Some delay was experienced recently due to a water flow but this has now been overcome with the zone expected to be entered within 10 days to two weeks.

While this crosscut has been proceeding, a drive is being put out to enter No. 6 zone 300 ft. from the shaft. This zone also had returned some high-values in surface drilling and was distinct from the other zones.

To Bulk Sample

Plans call for carrying out of mining operations in the principal zone with bulk sampling to determine average values. This procedure is stated to be necessary because surface drilling returned visible gold in 25 out of 48 drill holes. One hole returned an intersection of 1.92 oz. gold across 9.7 ft., it is pointed out.

Detta is reported in good shape for building supplies. The company has been saved considerable capital expense by being able to secure air for operations from the adjoining Dickenson operation. The company's board of directors was re-elected.

Louvicourt Plans To Lower Costs

According to official sources, operations at Louvicourt Goldfield are progressing as normally as possible with the reduced power load required, the mill treating an average of 400 tons daily.

Gradual improvements in mining methods are planned to reduce costs materially on all underground operations. Introduction of picking belts is expected to permit mining of a greater tonnage without materially increasing the tonnage of ore which the mill must treat.

The intensive program of exploration and development inaugurated the first of this month is being continued and to ease the power demand shaft sinking has been temporarily stopped.

W. E. Bennett, managing director, reports that the former work is already showing good results. Diamond drilling from the 375,- 525- and 675-ft. levels is extending known ore zones and locating new lenses as well as parallel structures, south of the main porphyry dyke, where grade appears to be higher than on the north side from which bulk of millfeed has been drawn.

Knowledge gained in the last few months of operation regarding character and attitude of ore structures is now making it possible to locate new ore bodies with some degree of accuracy and with a minimum of exploratory work, it is stated.

Giant Ore Dump Is High Grade

Nearly 11,500 Tons Runs 0.6 oz. Gold Cut Grade at No. 2 Shaft

A considerable tonnage of high-grade ore is now available on surface ore dump at No. 2 shaft of Giant Yellowknife Gold Mines which reports satisfactory progress in installation of milling equipment.

During the period Feb. 8 to March 13, 1948, 1,500 tons of ore from stope preparation, raising and drifting was added to No. 2 ore dump bringing the total there to 11,448 tons averaging 0.82 oz. gold per ton uncut or 0.6 oz. gold cut grade.

Mill Building Completed

During the period, the mill building, crusher house and connecting conveyor galleries were completed.

No. 2 shaft has now been extended to a depth of 783 ft. with further stations cut at the 425 and 575-ft. horizons and a loading pocket station completed at the 675-ft. level. The 725-ft. level station has been partially excavated.

In the north drift on the ASD zone on the second level, a length of 88 ft. of ore averaged 1.36 oz. gold per ton uncut in face sampling and 0.93 oz. gold in car sampling. This drift was driven on line through to B-209 crosscut for a slusher drive.

Another drift extended to the north on the east branch of the ASD ore shoot traversed ore for 83 ft. in the drift averaging 0.48 oz. gold uncut in face samples and 0.33 oz. gold per ton in car samples. This was another drift carried on line for a slusher drive.

Raising from the second level came into the west limb of the saddle reef vein after an advance of 27 ft. Subsequently it was driven 40 ft. in ore averaging 0.4 oz. gold in face and rib sampling 0.42 oz. gold in car sampling.

Preparation of several stopes is proceeding at the second level.

DICKENSON RED LAKE MINES since end of 1947 fiscal year has encountered strong visible gold occurrences on all four levels and in raises. Continuity of the south ore zone in No. 1 area has been established through all levels and centre zone raise the first 60 ft. showed an average muck grade of better than an ounce per ton Vice-President and Managing Director J. M. Brewis states. Surface diamond drilling has established continuity of rich south Campbell ore zone extending into company's property for at least 1,000 ft., the vice-president adds. The 300 ton daily capacity mill purchased from Gold Eagle Mines is expected to be in production this summer. Current assets were $162,235 and current liabilities $60,738 at Dec. 31.

Silver Miller Ore May Go to Silanco

Negotiations are being carried on by Silanco Mining & Refining Co. looking to the treatment of dump ore from Silver Miller Mines on a customs basis, Silanco states in a progress report.

Work on the smelter unit of Silanco is stated to be making good progress with all structures closed in and foundations poured for furnace, drier, crusher and ball mill. Some changes have been made in the original design to increase efficiency and capacity, it is stated.

The Agaunico mine has been unwatered to the second level station at 200 ft. depth and the property will shortly be ready for extension of development. This mine is expected to be the company's prinicipal source of high-grade cobalt ore. Ore reserves are to be built up there in preparation for operations of the concentrator and smelter, it is stated.

Silanco will operate the Colonial 150-ton concentrator initially and will later reopen the 100-ton mill formerly used by the O'Brien mine. Concentrates, of which about 1,000 tons are already stock-piled, will be built up in anticipation of smelting operations.

Boland Fails to Block Bear-Yellowknife Deal

A motion for an injunction brought by J. F. Boland against Bear Exploration & Radium to restrain the latter company from disposing of its assets in the forthcoming merger of Yellowknife Gold Mines and Bear Exploration was dismissed last week by Hon. Justice Treleaven who found in favour of the defendants.

R. M. W. Chitty, counsel for the plaintiff, sought an adjournment but this was opposed by Frederick Parkinson, counsel for B.E.A.R., on the grounds that the proposed merger of Yellowknife Gold Mines and Bear Exploration would be seriously affected. Mr. Parkinson pointed out that there were definite time limits laid down in the agreement covering the merger which has been ratified by shareholders of both companies.

Both the suggested adjournment and the motion for an injunction were dismissed by the court.

CARAMORA PORCUPINE MINES plans resuming development of the former Ashley mine in the Matchewan area shortly. Work was suspended in January when blocked roads cut off fuel supply. Tentative program calls for dewatering of the shaft to the first level and running out a crosscut to the Caramora No. 1 vein, which was reported to have been extended for length of 750 ft. last year. The company is reported planning a 50-ton mill, to treat high-grade ore.

NEW TELLURIDE GOLD MINES OF CANADA is cleaning out muck and channel sampling 250-ft. level of property in Skead twp., Ont. Underground drilling is planned.

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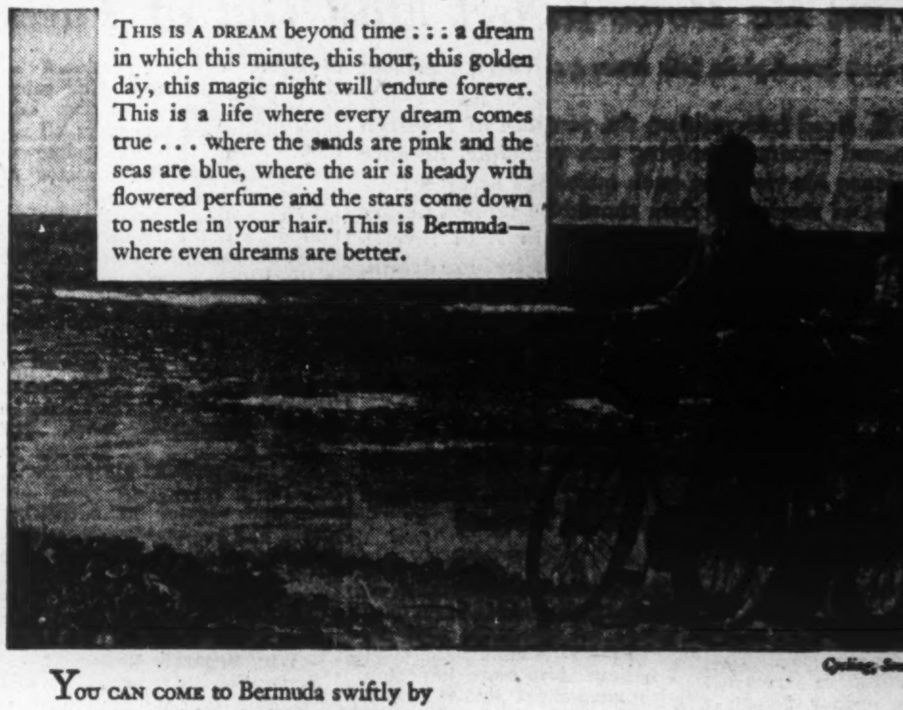

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How Research Aids You

What Can Be Done to Get Most Out of Facts

Marketing men heard plain talk from a research specialist this week.

Dr. Vergil D. Reed believes that the purpose of research is to enlighten and clarify. Applying this principle, he gave a Toronto audience his views on such questions as these:

What sources of marketing data should be tapped before embarking upon more expensive ventures in field investigation? Once data has been gathered and conclusions drawn, how can one encourage the implementation of recommendations? What qualifications should the person in charge of marketing research possess and where should he fit into the company structure? How closely should promotion and research be related to one another?

Dr. Reed is associate director of research for the J. Walter Thompson Company. He came up from New York to give the third lecture in the "Marketing Know-How" series, sponsored by the Ad-Sales Club and the University of Toronto.

Here is a digest of his address:

By DR. VERGIL D. REED

Too little has been said and written on how to get the most out of marketing research. Too much has been said in terms of high-sounding names for the techniques and tools of research, giving the impression to some that we are magicians, sorcerers, or wizards. That is partly the fault of marketing research men themselves. As is true in many young professions — and unfortunately of some old ones, too—their practitioners try to impress and overawe prospects and clients, and mayhap even the general public, by brandishing their shiny tools, their weighty definitions, their statistical jargon, and their profound techniques — all in overpowering profusion. Let us leave all that to the practitioners as we leave the performance of an operation or the treatment of a disease to the physician.

I believe it is more important that management know how to get the most out of marketing research than how it is done. An understanding of its scope, functions, values, applications, and possibilities of use in attaining better management is essential today.

Within the scope of our subject (marketing research) falls a wide range of specific types of research. These include:

(1) Quantitative market analysis or determining market potentials, size, or extent. (2) consumer surveys, (3) analysis of trends in the market, (4) attitude and opinion research, (5) brand position determination, (6) product and package analysis, (7) sales organization and sales operation research, (8) wholesale and retail research, (9) price analyses and determination, (10) distribution cost research, (11) analysis of sales records, (12) advertising copy research, (13) advertising media research, (14) test campaigns in trial markets, (15) research on economic factors affecting marketing and markets.

Doing Your Own Research

There are certain types of simple research jobs which can be done by the present personnel of almost any business concern, from the smallest retailer to the largest manufacturer. Perhaps you, or someone you know who is in business, would like to start by mining the factual gold out of your own sales records. Starting with your largest customer and taking them in order of size, what proportion of your customers account for 80% of your sales? Among your smallest customers, how many does it take to account for the last 5% of your sales? How much of a loss are you taking on them? What are the prospects of their growing into profitable accounts? Are you using the valuable facts you already have?

The scope of research is wide, but there are many simple jobs that could be done without starting a research department or employing an outside research organization. What about tackling these simpler jobs as a first step in research? Besides paying off in themselves, they will indicate with great clarity where you do need help in doing more complex and extensive research. Perhaps they will point to the need of establishing your own research department or calling in a good research organization to do special research.

Qualifications of Research Director

The marketing research director must have a broad and thorough knowledge of marketing and how it fits into both the business structure and the economy. Secondly, he must have a thorough working knowledge of statistics. They are the tools with which raw facts are organized into a form from which sound conclusions can be drawn. Beware the man who is merely a specialist in statistics. He is like a specialist in scalpels and sutures who knows neither medicine nor surgery. Thirdly, the director of marketing research must know sources of information ranging all the way from the Industrial Arts Index in the library, through trade associations, foundations, universities, and business concerns, to "who gathers information" in the Government. Your government and mine both have a wealth of marketing information which is all too little used because of its existence and ramifications are so little known.

Certain personal traits are necessary, others highly desirable, in a director of marketing research, or in anyone else to whom you entrust research. He should be constructively imaginative as well as analytical and thorough. A generous portion of healthy skepticism should be seasoned with a dash of humor. He must inspire confidence and trust in both his subordinates and superiors. He must have vision as well as knowledge, ability as well as training, judgment as well as professional honesty.

Putting Research to Use

The problem of placing the marketing research function into the company organization will naturally vary with the nature, size, and type of business and to some extent with the general and specific functions assigned to research. More and more companies are co-ordinating all of their marketing functions under one vice-president. He may be called vice-president in charge of distribution, vice-president in charge of sales, or vice-president in charge of marketing. The sales, advertising, merchandising, and sales promotion managers all report to and are responsible to him. Why not the director of marketing research also?

In case this type of organization does not exist in the company, the executive vice-president is the logical executive to whom research should report. In smaller companies, research might well report to the president.

The primary needs are close contact with top management, freedom from domination by a single department head, and enough authority or backing to "open all doors" in the company. Important marketing facts are sometimes found in surprising places and for one reason or another attempts may be made to conceal unfavorable situations. Make the most of marketing research by placing it where it can contribute most to the company.

Why Separate Research?

Separation of promotion and research within any business concern . . . is recommended for these reasons:

1. The research department should be a service department to top management and other departments of the business as well as to promotion.

2. Surveys, studies, and conclusions are less likely to be "tainted" or biased by any promotional pressure or "proving preconceived ideas."

3. Advertising, sales, and promotion managers will find more ready acceptance for their claims if they are based on objective research not dominated or slanted by them.

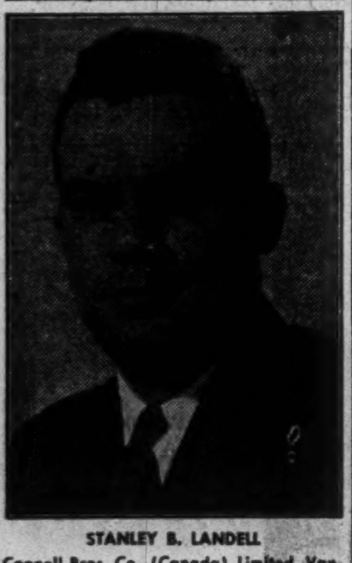
4. Top management itself is encouraged to base decisions on such research.

5. The qualities of a good research man differ greatly from those of a good production man, who is very apt to be infected with an "occupational disease" commonly known as over-enthusiasm which disqualifies him for research.

Taking a one-time snapshot of a market and its characteristics is often grossly misleading. What we need is a more or less continuous moving picture of the market and marketing characteristics. Today, for instance, in the United States — your market as well as ours — 3,840 old customers or prospects will die. There will be 5,206 marriages or that many new families added. Today, 10,220 new customers and prospects will be born who never heard of you or your product.

Marketing research is certainly an activity in which haste makes waste. Don't expect the impossible in speed. There's much more to a marketing research job than pulling 10 inane questions out of a cloud of cigarette smoke, jotting them down on paper, and asking 2,000 people to answer them.

Be specific about the problems for which you want to find answers, but leave it to the research director's judgment how the answers can best be found and what the scope of a given survey should be.



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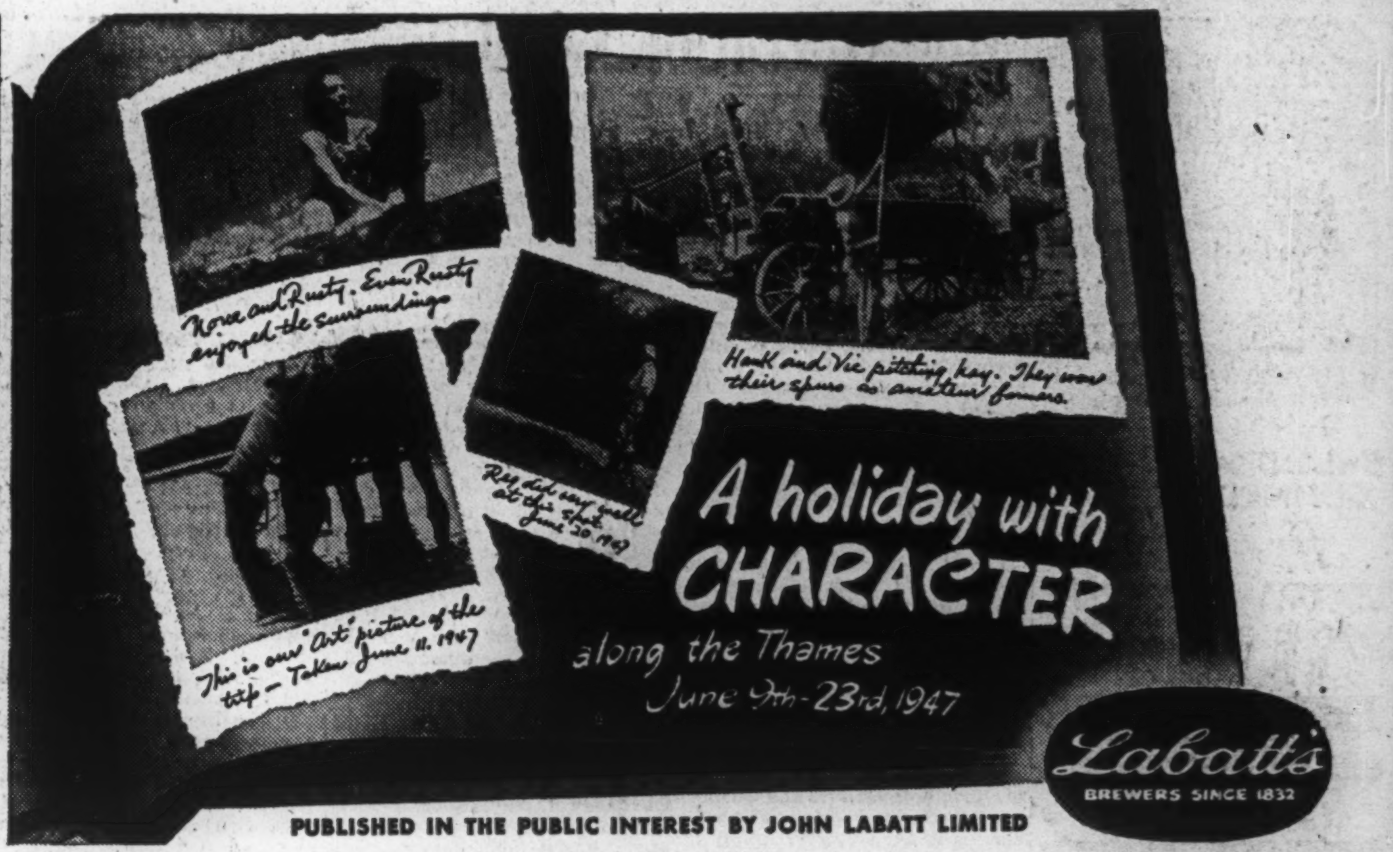
Norie and Rusty. Even Rusty enjoyed the surroundings
Hank and Vic pitching hay. They won their spurs as amateur farmers.
Reg did very well at this spot. June 20 1947
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A holiday with CHARACTER along the Thames June 9th-23rd, 1947
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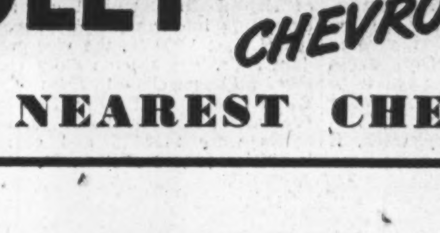

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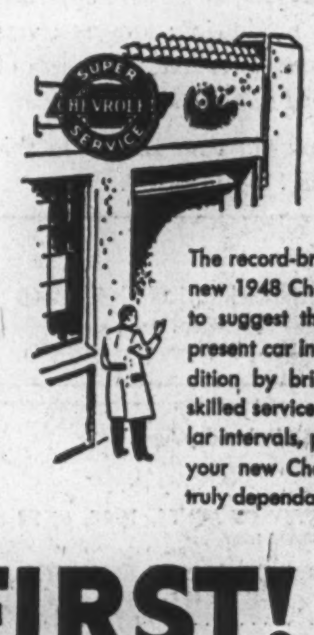

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The Financial Post

Vol. XLII Publication Office: Toronto, March 27, 1948 No. 13

B.C. on the March for '48

More Manufacturing Province's Goal As Primary Industries Boom

By RONALD WILLIAMS

For two years British Columbia has been telling the world that "Business is Moving to B. C."

A quick look at what's happening in Canada's most westerly province since the war ended dispels any idea that B. C. is just boasting.

Business is really moving to B. C.

In the last two years, 2,885 new firms have been incorporated. Close to 1,000 were new or transplanted Eastern concerns.

A quarter of a billion dollars worth of industrial expansion has been completed, is under construction, or is planned.

B. C. has the highest per capita capital investment program of any province: $157 (Ontario $144).

Population is going up by leaps and bounds: 1,100 families are moving in every month.

A vast expansion program is under way in the pulp and paper industry.

The West Coast's first steel mill is expected to be rolling this year.

Secondary industries, once a negligible factor, are rapidly assuming a primary role in B. C.'s economy.

On the average B. C. is gaining better than one new plant every day of the year.

B. C. industrial growth since the early '30's has been greater than any other province: from $128 millions in 1932 to $680 millions (est.) in 1947.

Even Matches Made There Now

This industrial march westward is graphically illustrated by a simple thing like a match. Until a year ago, B. C. had to go 3,000 miles to Ottawa to get a match.

Today B. C. has two match factories of her own.

The same thing has happened in a host of other fields: electrical appliances, chemicals, pottery; steel and iron; magnesium fittings; specialized porcelain ware; plastics.

Some are brand-new plants, others industrial migrants from the East. Typical is the case of the Renfrew, Ont., manufacturer of magnesium fittings. When the war ended, he discovered 90% of his business was coming from B. C. It didn't take him long to make up his mind to pack up and move to the West Coast.

A small St. Catharines, Ont., textile firm is about to do the same. Finding the competition in the East a bit too tough, this manufacturer has decided to cash in on the almost virgin textile market in B. C.

B. C. is truly on the march. Today B. C. is making everything from heavy industrial machinery to airplanes; toys to fancy biscuits. But the gaps in between offer boundless opportunity for new business.

The accent in B. C. is still on primary industries; forests, agriculture, fishing and mining (in that order). These still form B. C. economic backbone.

Primary Industries Lead

Last year production from these industrial fountainheads broke all existing records. The books aren't yet closed but already it looks like 1947 is going to top $500 millions. That's nearly $100 millions better than 1946's $407.7 millions.

Net value of all production including secondary industries skyrocketed to around $680 millions; $120 millions more than 1946.

And if this wasn't enough to cheer about, there were the over-all figures for trade through B. C. ports: exports $389.6 in 1947 ($305.7 in '46); imports, $195.2 ($129.4) for a total trade increase of $150 millions.

Imposing as this substantial increase is, government and business leaders aren't wasting their time patting each other on the backs. They're busy reinforcing their economy with a broad program of industrialization.

The aim is to try to shift some of the economic load of supporting the province from exports to domestic consumption. Thus B. C. would have something to ease the blow if world markets go to pot.

"We need imperatively," one businessman told The Post, "great numbers of secondary industries; factories to make light consumer goods. Our dependence on the East is uneconomic and unnatural."

B. C. Has the Resources

It isn't, he added, as if B. C. hasn't the natural resources. She has; abundantly. B. C. businessmen look on their province as one of the last great regions of untapped natural resources on this continent.

They see B. C. as Canada's No. 1 province and Vancouver as the nation's No. 1 city within the foreseeable future. The wood, the coal, the minerals, the fish, the agricultural land . . . they're all there.

Now B. C. is determined to build up the secondary industry to process them.

Until this economic revolution began undermining old ideas and conceptions of B. C.'s place in Canadian economy, B. C. was a hewer of wood and a drawer of water. She cut the wood, mined the coal, gold, zinc, copper, etc., caught the fish and grew some crops.

B. C. Box Score

(In millions of dollars)

	1939	1946	1947
Net value of all production		561	680
VALUE OF PRODUCTION IN FOUR MAIN INDUSTRIES			
Forestry	88.2	173.5	225
Agriculture	70	118.6	125
Mining	65.7	71	110
Fisheries	31	43	46
Total	254.9	406.1	506
TRADE THROUGH B. C. PORTS			
Exports	140.5	305.7	389.6
Imports	61.9	128.4	195.2
Total	202.4	434.1	584.8
INCOME: COMING AND GOING	1939	1946	1947
Industrial payrolls		$403.2	$440
Retail Sales Index ('35-'39:100)	100	221.8	247
Wholesale Sales Index ('35-'39:100)	100	271.9	315
Life Insurance Sales ($ million)	56.9	92	103.1
Population ..(000)	800	1,003	1,044
PRODUCTION FACTORS			
Wholesale Price Index (1926:100)	75.4	108.6	129
Retail Price Index ('35-39:100)	100	123.6	135.5
Freight loaded (mil. tons)	7.2	8.2	9.7
Bank debits ($ mil.)	2,020	5,367	6,539
Power consumption (mil. kwh)	1.9	2.8	2.9

Then she shipped most of them East for processing in the great industrial empire in Ontario and Quebec. Then the East shipped them back to B. C. as finished goods. Up to now B. C. sold the East almost nothing entirely ready for consumption, except some sugar, canned fish and preserved fruit.

B. C. businessmen warn bluntly that this one-sided trade picture is throwing the natural development of Canada as a whole out of balance. They believe the time has come to discard the old economic theory that the West exists mainly as a source of raw material for the East.

In Canada's internal trading, B. C. has always come off second best. She ordinarily buys two and a half times as much from Eastern Canada as Eastern Canada buys from her.

In other words, for every dollar's worth of raw material she sells the East, she buys back $2.50 of finished goods. And what's more, pays a fancy premium because of freight charges, plus the differential through the Rockies.

For example: a car in the low price range costs around $160 more in Vancouver than it does in Toronto. The reason: freight charges.

Ready for Expansion

How long, B. C. is asking, will it be before the East realizes the unlimited potentialities of the West? They claim that B. C. is now ripe for a tremendous expansion, which, incidentally, would bring about what they say would be a "rational, logical balance in Canada's industrial growth."

They point to B. C.'s unlimited possibilities and potentials:

The population is growing by leaps and bounds: from 817,000 in 1941 to 1,044,000 in 1947. No other province, not even Ontario with its extensive immigration program, can match B. C.'s high-geared population increase.

Already B. C. is third on Canada's list of manufacturing provinces; is well up on the list with untapped but as yet inaccessible mineral resources (in the vast, immensely rich Peace River country).

B. C. has almost unlimited water power resources. Their full extent has still to be estimated, but the known potential is eighteen million hp. So far less than a tenth has been harnessed. A vast hydro expansion program is now under way.

B. C. has some of the finest tidewater sites on the North American continent. Her ports and natural harbors, which are open all year round, are capable of handling great quantities of goods.

B. C. stands first among the provinces in per capita purchasing power, in per capita national wealth and per capita national income.

In 1945 Dominion tax collections—income, corporation, dividends, excess profits and succession duties — added up to $136 millions, only slightly less than the combined collections for the three Prairie provinces.

Markets in Many Lines

But perhaps the most enticing lure which could be dangled before industrialists and businessmen looking for new fields to conquer would be almost limitless markets for virtually all kinds of goods.

For example: B. C. needs millions of pairs of shoes every year; only a few thousand are made in the province. The rest come from the East.

B. C. hasn't a glass factory. Every pane, every tumbler; every light bulb must be shipped 3,000 miles from Ontario or Quebec; or elsewhere.

Virtually every yard of textiles needed to clothe and house British Columbians has to be imported; all the steel and iron; all the leather.

In fact there is hardly a field which isn't wide open for exploitation. And in many cases the raw materials are right in B. C.'s back yard.

Here's a government-prepared list of some of the more inviting possibilities where raw materials are available:

1. Ceramics—high-grade clay products and china.
2. Glass.
3. Hydromagnesite—cements and magnesium chemicals.
4. Bleaching clays—Bentonite.
5. Slag utilization for foam glass and mineral wool.
6. Grinding balls, axes—replacement of metal imports in the light metal field.
7. Ferro-alloys.
8. Marine plants — seaweed.
9. Barite — barium.
10. Deposits of iron ore.
11. Lead alloys and pigments.
12. Hydrogenation of fish and vegetable oils.
13. Textiles; linen and wool.

A B. C. View of the Future

"Never before in the history of the province," said Finance Minster Herbert Anscomb, "has there been so keen an interest in what B. C. has to offer the forward-looking industrialist."

"B. C.," he went on, "is entering upon an era of great expansion in the field of secondary industries. New wartime processes, new techniques and closer utilization have been absorbed and fitted into an established industrial picture.

"This has been done with intelligence and thoroughness; many believe it may change and enlarge the whole industrial future not only of B. C., but Canada as well."

To which, B. C. generally says, hear, hear.

They confidently expect that the intensified development of secondary industries (which is only beginning) plus the increased processing of basic products will quickly transform B. C.'s role into an exporter of finished goods as well as raw materials.

In common with other export areas, the prosperity of the province is influenced one way or the other by world conditons. But since the war, B. C. has grabbed at its opportunities with both hands to bring about a remarkable diversification in its development.

What are its Resources?

The province has immense resources. It is generally admitted that B. C. has one of the last remaining great stands of quality soft woods suitable for structural purposes.

Known mineral resources are vast, even though the province has only been lightly prospected. The fabulously rich Peace River block, with its deposits of coal (estimated two billion tons) is described as the last great untapped mineral Empire on this continent. The key to its land-locked treasure is transportation.

Fishing, commercial and sporting, are unequalled. B. C. produces about half the total Canadian catch. Around 30,000 depend on fishing for their jobs. It is B. C.'s third largest basic industry.

As for agriculture, B. C. believes only the surface has been scratched. Total area of B. C. is about 234 million acres. Roughly 4.2 million acres are considered suitable for cultivation. At present one million are being farmed while under 100,000 acres of the estimated two millions suitable for fruit growing are under crop.

Hydro power possibilities are unlimited. Known potential (9-10 million hp) places B. C. second only to Quebec, but B. C. is away ahead in undeveloped power resources.

Power shortages should never be a limiting factor in B. C.'s development. Now under way are two major projects: The B. C. Power Commissions' 150,000-hp installation at Campbell River on Vancouver Island and B. C. Electric's huge 600,000-hp project at Bridge River.

An Iron and Steel Industry?

So far, industrial development has followed natural rather than artificial lines. For this reason B. C. lacks a basic iron and steel industry, textiles, ceramics, electrical appliance and other secondary industries.

B. C. still has to import all her basic iron and steel products. Up until the war, it was cheaper to do this than attempt to establish such an industry on the coast.

However, the wartime development in shipbuilding and the tremendous expansion in secondary industries are making some people wonder if that economic rule applies any longer.

At least one firm is surveying the possibilities of establishing a high-grade iron plant at Anyox on the North B. C. coast. And this year, B. C. will for the first time have its first steel mill. However, it will use scrap and imported pig iron.

But this is still a big step along the road B. C. wants to go. To stimulate such industrial travel, the Government has retained an engineering firm to report on prospects for a fully integrated iron and steel industry.

Domestic demand for textiles, glassware, chinaware and high-grade paper is also causing people in these fields to stop and take a second look at B. C.

But rosy as the picture is, B. C. businessmen aren't blind to the province's limited factors; transportation, lack of capital, heavy dependence on exports and high production costs.

Transportation Development

Perhaps the master key is transportation. B. C. is well serviced east and west by the CPR and the CNR. They aren't too happy about the third avenue—the Trans-Canada Highway.

But B. C.'s economic lifelines run north and south. And a lot needs to be done to make them pay. The B. C. Government is the first to admit this by pointing to its $210 million highway program, plus its determination to make something of the Pacific Great Eastern (PGE) which now starts nowhere and ends nowhere.

Until recent years the province's lack of an adequate north-south transportation system was not of too much concern; 80% of B. C.'s population was concentrated in a tight area within an 80-mile radius of Vancouver.

Today the province is spreading out. It needs industrial elbow room. To provide some, the province has eight major highway projects, either under way or in the planning stage.

The most important: the Pine Pass or "Hart Highway" linking up Southern B. C. with the Peace River Block and Alaska, cutting 1,000 miles off existing distances between Seattle and Alaska; and the Hope-Princeton Highway.

But to make it economic to open the door to the Peace River riches, B. C. realizes that some other form of transportation is necessary—a railway.

At present B. C. has just part of one—200 miles of the provincially owned PGE. It starts at Squamish, about 30 miles by water from Vancouver, ends at Quesnel, about 75 miles short of Prince George and the Edmonton-Prince Rupert line of the Canadian National.

White Elephant or Gold Mines?

For years the PGE has been a political football. It has been called the white elephant of transportation. At times the Government has seemed ready to sell it. And no salesmanship would be required. United States interests reportedly have the cash any time the Government wants to sell.

Since a new, shorter and cheaper crossing of the Peace River has been surveyed and tentatively approved, there has been less talk, in political circles at least, of getting rid of the railway. The new approach is if the PGE is worth money to the United States, it should be worth a lot more to B. C. and Canada.

An important factor now looming up in considerations of the PGE is Arctic defense. B. C. believes that Washington would look favorably on the extension right through to Alaska as a preparedness measure.

Then, too, B. C. is just now beginning to fully appreciate the potential value of the tremendous coal deposits which lie northeast of Prince George.

The proposed new Pine Pass route of the PGE cuts clean through the heart of the coal country and much of the forest areas, thus virtually assuring profitable freight traffic from the start. This is believed to be the plum the U. S. interests are after.

Once the master key of transportation has been fashioned, many people in B. C. believe that the other two doors to B. C. future greatness will almost unlock themselves. They believe the province will lose its unenviable reputation as a high-cost area.

As new natural resources are tapped and secondary industries begin to make B. C. independent in manufacturing, they believe present high costs of production can be reduced.

They believe too that the lure of vast new territories, immensely rich in natural resources, will be irresistible to Eastern capital. Until the war capital hadn't shown too much interest in B. C. except in lumbering and other established basic industries.

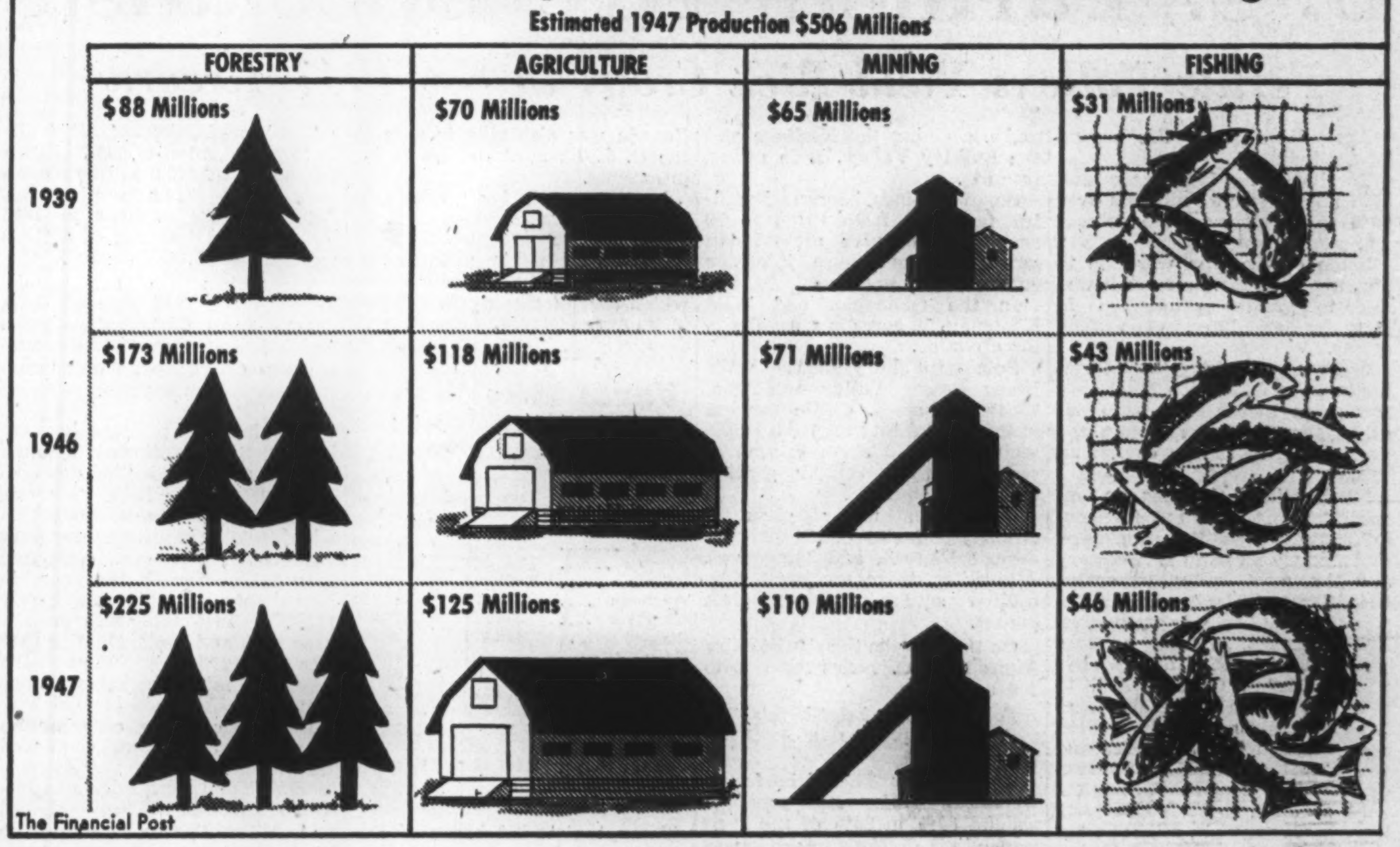
Now the East is beginning to snuggle up. The untapped natural resources, plus the expanding domestic market for all kinds of goods are the reasons.

British Columbia is unquestionably in the most favorable position in her economic career.

"No one," says Trade and Industry Minister Eyres, "who has a finger on the pulse of modern trends will question that the next 50 years will be the area of the West; that the West is about to come into its own and that British Columbia is ready to receive and absorb the human tide in its westward flow."

B.C.'s 4 Primary Industries Still Booming

Estimated 1947 Production $506 Millions



New Industries Help Business Boom in B.C.

Firm	Product	Location	Approx. Investment
Enterprise Mfg.	Woodenware	Vancouver (from Winnipeg)	
Buss Bros.	Small boats	Kelowna (from U. K.)	
Western Whaling	Whaling	Vancouver	$400,000
Lincoln Hosiery	Hosiery	Undecided (from St. Catharines, Ont.)	
Robert Hirst & Co.	Raincoats	Vancouver (from U. K.)	
Adhesive Products	Adhesives	Vancouver (from Seattle)	
Vancouver Rolling Mills	Steel rods, etc.	Vancouver	

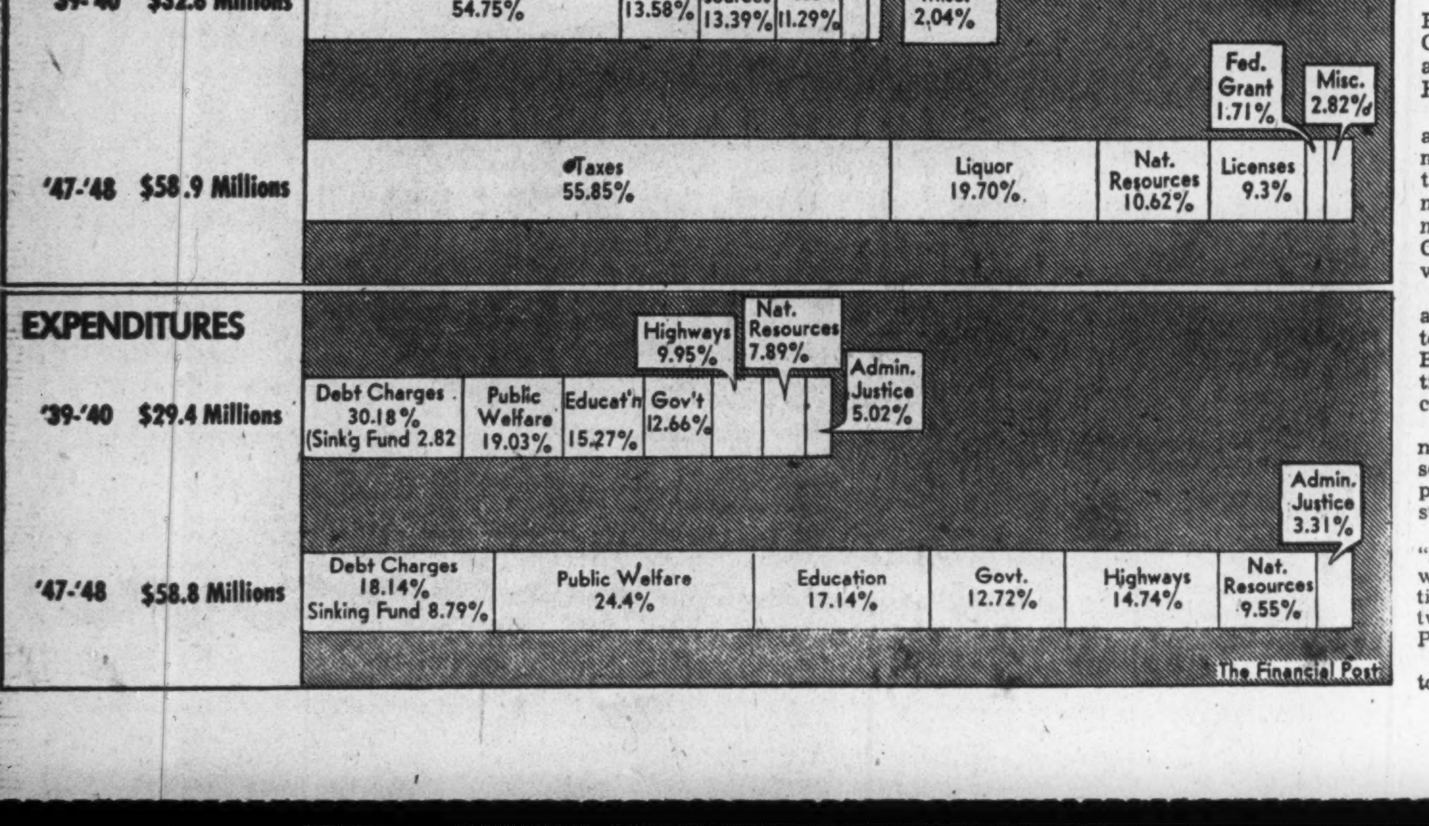
These Plants Are Planning to Expand in 1948

Swift Canadian	Meat packing	Coquitlam	$1.5 millions
Vancouver Breweries	Beer	Vancouver	$1.5 millions
Sidney Roofing	Roofing, cardboard	Victoria	$1.5 millions
Canada Wire & Cable	Wire, etc.	Vancouver	
H. R. MacMillan Industries	Wallboard	Vancouver	
B. A. Oil	Refinery	Burnaby	$1 million
Exide Batteries	Batteries	....	
Mainland Clay Products	Bricks	Burnaby	$150,000

These Added to Plant Capacity During 1947

Northern Electric	Warehouse extension	Vancouver	$190,000
Sidney Roofing & Paper	Plant expansion	Victoria	$1.5 millions
B. C.'s Pulp & Paper Industry	4-year expansion program	B. C.	$20 millions
Canadian Cellulose	New plant	Prince Rupert	$15 millions
Can. Gen. Electric	Warehouse, office extension	Vancouver	$300,000
B. C. Cement	Cement, etc.	Horne Lake	$3,000,000
National Paper Box	Paper	Vancouver	$75,000
West Coast Woollen Mills	Worsteds	Vancouver	$60,000
Westminster Iron Works	Foundry	New Westminster	$50,000
Standard Tie & Timber (Western)	Ties	Vancouver	$140,000
Acme Asbestos Cement	Cement, asbestos	Vancouver	
A. P. Madsen Ltd.	Furniture	Vancouver	
Maple Leaf Biscuit	Biscuits, pastry	Vancouver	
I. F. Laucks Ltd.	Glues, plastics	Vancouver	$100,000 (est.)
Kelly Douglas & Co.	Food	Burnaby	$700,000 (est.)
Burrard Rivet & Forging	Bolts, nails	Vancouver	$150,000
Rose-Marie Reid	Bathing suits	Vancouver	
B. A. Oil	Oil storage	Burnaby	$100,000
International Pulp Wood Supplies	Pulp	Vancouver	
Canada Dry	Ginger ale	Vancouver	
Eddy Match Co.	Matches	Mission	200,000 (est.)
Felt & Textiles of Canada	Felt products	Victoria	$350,000
Steel Masters	Steel	Vancouver	
Gordon Young Ltd.	Fats, oils	Vancouver	
Canada Packers	Fruits, vegetables	South Sumas	$100,000
Murphy Paint	Paints	North Vancouver	$40,000
Delta Glucose Refining	Flour	Richmond	$250,000
Western Magnesium	Magnesium	Vancouver	
Richmond Sawmills	Sawmill	Richmond	
Henry Darling & Son	Paint	North Vancouver	
W. V. Hepburn	Sawmill	Vancouver	
International Pulpwood	Pulp	Vancouver	
Dehydrated Grasses	Grass	Delta	
Johnston Fishing & Packing	Fish packing	Delta	
W. S. & J. F. Davidson	Shingles	Silverdale	
Vancouver Shingle	Shingles	Port Moody	
Pacific Handle Co.	Brooms, door handles	North Vancouver	
J. G. Hardie	Wood products	Vancouver	
River Lath & Handle	Wood products	Richmond	
B. A. Edlund Sawmill	Sash, doors	North Vancouver	
Allied Woodworks	Sash, doors	Vancouver	
Mainland Metal Products	Metal	Vancouver	
Ottawa Paint Works	Adhesives	New Westminster	
Burns Hi-Bake Finishes	Enamel for wallboard	Vancouver	

Here's Where B. C. Tax $ Comes From And Where It Goes



B. C. Farmers Are Specialists

Fertile Valleys Yield Rich Crops to Set 1947 Record

Agriculture is B. C.'s second largest industry.

Total output in 1947 was around $125 millions or $7 millions over 1946 and well over the prewar five-year average.

Some of the gain was due to higher prices. But much of it was due to greater production in virtually all lines, even feed grains.

Generally speaking B. C. farming is a specialist's job. There are few great blocks of grain areas as on the Prairies although the Peace River block may change all this.

Most of the B. C. farms are concentrated in narrow but extremely fertile valleys. But even here, much costly clearing is necessary and in most cases expensive irrigation facilities are needed before the land becomes productive.

This makes farming a more costly business than almost anywhere else in Canada. Add to this the problem of long distances from markets and extra freight costs through the mountains and you have the reason for the specialized nature of B. C. farming.

As a result, there is relatively little grain farming, although the Government is trying to encourage greater acreage to make B. C. less dependent for feed grains from Alberta whose grain production has been falling alarmingly.

Increase Grain Production

Last year B. C. recorded a substantial gain in grain acreage:

	1935-39 Av. Acreage	1947 Acreage
Wheat	65,500	130,100
Oats	111,600	84,200
Barley	13,600	14,900
Mixed Grains	4,400	8,700
Hay	153,900	229,000
Alfalfa	50,400	87,800

But she still leans heavily on Alberta. Up to Nov. 30, 1947, B. C. had to buy:

	Tons
Wheat	107,028
Oats	61,095
Barley	46,298
Mill-feed	33,865
Total	248,286

The freight bill on this amounted to $1.5 million, all of which was borne by the Federal Government under the feed grain subsidy plan.

"It may be advisable," says J. B. Munro, deputy minister of agriculture, "to put forth a special effort to grow small acreages of such high-yielding crops as corn, kale, mangels and other roots which will, to some extent, replace purchased foods."

High Yield Crops

To make money, the B. C. farmer has to raise high priced and high yielding crops. Fruit, seeds, bulbs, berries, livestock and poultry fit into this economic pattern because acreage required is small and gross revenue high. Thus, B. C. farmers specialize in these crops.

Apples Rate High

Major agricultural production is horticultural fruits, vegetables and flowers. In the case of fruits, apples rate No. 1 on the list. Last year's production is believed to have been about 20% below the record 10 million boxes (3.3 million barrels) picked in 1946. But judged by prewar measurements, 1947 pickings were still something to write home about.

The first large commercial apple orchard in British Columbia was planted at Earlscourt, near Lytton, in 1867. In 1898 the first carload of apples was shipped from the Okanagan. From that casual experiment has developed a business which produced nearly 10 million boxes in 1946.

With the new era of railway construction in 1910 the rich lands of the Nechako and Bulkley Valleys were opened up and settlers flocked in. By 1941, B. C. had 25,980 farms, nearly 90% of which were owned by the occupants.

An immense amount of land classification remains to be done but present estimates indicate that of B. C.'s 234 million acres, about 6 millions could be brought under intensive and successful cultivation.

Altogether, between tillable and grazing land, about 150 million acres could be called agricultural. Of the arable land, 50,000 acres are adapted to the growing of fruit.

Mixed Farming Profitable

Statistics over a number of years show that the most successful farmers in B. C. have been those engaged in mixed farming. But they show, too, a steady increase in the number of specialized farms; dairy, tree fruits, small fruit, poultry, seed and bulb. Of them all, the dairy farm would seem to have the brightest future. But it requires the largest investment; tree fruits can be established on less and small fruits and poultry on still less.

To purchase a farm of any sort calls for a considerable outlay on land, buildings, fences, stock and equipment — certainly not less than $5,000.

Agriculturally the province divides itself naturally into zones. The lower coast (including Vancouver Island and the Fraser Valley) specializes in dairy products, small fruits and field crops.

The southern interior and notably the Okanagan and Kootenay Valleys, confines itself largely to fruits and vegetables.

In the central interior is a huge tract devoted to cattle raising, while that section traversed by the Canadian National Railways and containing the Nechako and the Bulkley Valleys is in mixed farming.

Small holdings, berry and poultry farms of from three to 10 acres, are popular around the larger centres where intensive cultivation is practiced.

In the Okanagan and West Kootenay, 10 acres is a usual size for orchards.

Successful dairy farms in the lower Fraser Valley run from 75 to 150 acres. Cattle ranches in the central interior from whole sections of 640 acres to several sections, with rented grazing acreage in addition.

Cultivation under glass is strongly featured, especially around Victoria and Vancouver. Altogether, there are about five million square feet of glass houses.

On the average the size of dairy farms in B. C. varies from 15 to 400 acres.

Following is a brief look at the agricultural picture in B. C. today:

Tree Fruits: The rich, fertile Okanagan Valley still produces around 80% to 90% of the fruit grown in B. C. The apple crop was not as heavy as in 1946 (down about 20%). However, the 1947 production might be slightly higher when final sales are completed. A feature of the 1947 crop has been its quality and the shift in markets.

Originally, B. C. apple growers appeared to be threatened with serious loss when it became known last year that exports to Britain were very unlikely. However, the picture was clarified when a deal was made with the United States to ship a maximum of 2.2 million packed bushels. This was not exactly an agreement but rather a tacit understanding arrived at by the representatives of the producers of both countries.

To Nov. 22, 1947, 1.4 million of the 1.5 million bushels shipped to the United States from Canada came from B. C. In addition to these fresh-apple allocations, Canada was also able to ship to the U. S. 1.2 million bushels for processing.

In the search for markets to take the place of Britain, B. C. growers have established themselves on a small scale in Brazil. This is one of the newer markets which are purchasing B. C. fruit in larger and larger quantities. A shipment of 75,000 boxes of Delicious apples wes delivered early last October.

Farm Box Score

	1946	1947 (est.)
	Boxes	
Apples	9,892,074	6,969,000
Crab apples	235,834	120,000
Pears	775,860	645,300
	Crates	
Plums	286,576	275,600
Prunes	1,241,802	1,128,800
Peaches	1,673,708	1,840,700
Apricots	368,677	398,250
Cherries	384,282	457,900
Strawberries	415,576	632,800
Raspberries	682,205	882,100
Loganberries	90,944	96,020
Blackberries	75,777	73,900
Red currants	2,627	3,100
Black curr'ts	16,521	16,650
Gooseberries	3,908	3,975
Grapes (lb.)	2,195,491	2,759,350

The pear crop was slightly below 1946, while prunes, plums, cherries and apricots were about the same. The peach crop was much heavier by about 15%. Some loss occurred in harvesting of cherries due to wet weather. Other stone fruit crops showed an increase.

Plantings of small fruits showed a substantial increase and while complete figures are not yet available for 1947, it is expected that with satisfactory winter and spring conditions the volume will be much larger than it has been for some time. Of the small fruit crops strawberries are perhaps the most important, returning up to $1,000 to $1,500 an acre. For 1948 the outlook is for a heavy crop. Prices held up during 1947 and compared favorably with those of previous years.

Total production of all fruits in 1946 amounted to 553.7 million lb. valued at $27.6 millions compared with 361.9 million lbs. valued at $20 millions in 1945 indicating an increase of 53% in volume and 37.1% in value.

Vegetables: On the whole, acreages for 1947 showed little change from the previous year. Onion acreage was slightly reduced, also cantaloupe, while tomatoes showed an increase of about 20%.

Dairying: The postwar decrease in livestock continued through 1947. In 1946 the decline amounted to 3.2% over 1945. This was reflected in farm milk production when total output for the year was 636 million lb. compared with 641 million lb. the year before, a reduction of approximately 1%. The 1945 total was an all-time high and the decline in 1946 was the first break in the upward trend in milk production since 1940.

Daily per capita consumption of milk was .78 pints compared with .73 pints in 1945 and .64 pints in 1939. Total fluid sales amounted to 325 million lb. compared with 298 million lb. in 1945 or an increase of 9%.

1946 butter output was 5.3 million lb. compared with 6.2 million in the year before (a decrease of 14%). Factory cheese production dropped 8% while production of evaporated milk was down 14,183 cases or 2.4%.

Total value of dairy production in 1946 is placed at $20 millions compared with $19 millions in 1945.

Livestock and Poultry: Estimates of the number of principal species of livestock on farms at June 1, 1947, showed an appreciable reduction from the previous year. Swine production was down about 1.8%. Cattle population after reaching an all-time peak in 1945 showed a reduction of 6.5%. Milk cows estimated at 95,500 are less by 3,200. Sheep population was down about 10,000 but poultry was up about 8.1% while turkeys increased 41.6%.

Ships in Trouble or Saturday Dates Radio-Telephone Is Voice of Coast

In British Columbia you can pick up the phone and talk to any one of 843 coastal vessels with no more effort than putting in a long-distance call.

To do so, you'd use the unique radio-telephone system of North-west Telephone Co., a subsidiary of B. C. Telephone.

And by doing so, you'd add a little more enjoyment or drama depending on the nature of your conversation, to the everyday radio fare of the B. C. radio listener.

Telephone conversations as a rule, are strictly confidential. Nobody knows what's said except the parties at either end.

But because the North-west Telephone system is a radio network and on medium frequencies at that, you have about as much privacy as a goldfish. Anyone with a half decent receiving set can tune in the telephone wave lengths. In Vancouver thousands do. It has become No. 1 on the Vancouver listening list.

Never Know What's Coming

The reason: listeners never know what they're going to hear next. It may be a distress call from a fishing boat or a tug. It may be a skipper calling up his wife to wish her a fond goodnight. It might be a "conference" call between an owner on land and half a dozen of his boats 50 miles out to sea. Or it may be a lusty, ribald exchange between a couple of land-hungry seamen.

Listeners will never forget the last words a tug boat captain gasped into his telephone just before his vessel foundered in a storm-tossed sea; or the time the crew of a doomed vessel lined up to say goodbye to their wives and children.

Another time they had a radio-side seat when vessel after vessel of a particular fleet began burning up the radio-telephone system with distress calls. All had exactly the same trouble — engine trouble.

It seems the owner had installed a new piece of equipment in his vessels. During the first bad blow something went wrong — on every boat. The situation was desperate. Boats were drifting out of control.

By use of the conference call system, crews and owner talked back and forth. All kinds of advice on restarting the engines was passed along but the motors still balked. Finally a captain who used to work for the firm in trouble heard the drama on his radio.

He called up the owner with the answer. He'd had the same trouble and knew what to do. Just about all Vancouver heaved a sigh of relief when the word was passed along and each vessel began checking in to report engines running again.

Half of Talk is cut

The only catch in listening to these real life dramas is that only one side of the conversation can be heard. To give the subscribers a minimum of privacy, the telephone company superimposes a "beep-beep" on the incoming or outgoing signal.

In some cases, this often adds a suggestively provocative note, particularly between a sailor and his girl or between a couple of amorous seamen.

A conversation might run like this:

"Say Mike, remember that babe in New Westminster?

"Beep-Beep-BEEP";

"You said it. What'll we do when we get in?"

"Beep-Beep."

From humor to drama, the radio-telephone is the voice of B. C. coastal shipping. Everything from the untidiest fishing smack to slick passenger vessels; tugboats, freighters, trawlers and salvage boat, all have phones.

It has been the deciding factor in saving lives and boats. Injured men have been picked up by ship or plane. It has speeded up business, cut down overhead.

How It Saves Time

Daily communication between owner and vessel saves valuable time in despatching. Previously a boat had to dock to get new orders. Now they get them at sea.

An important advantage is that fishing boats at sea can telephone to shore to report the presence of fish. Packers can telephone delivery instructions or report on catches.

Radio telephone has been the answer to a communication problem peculiar to the rugged coast of Canada's most westerly province where fishing and coastwise shipping are major industries and where mining and logging camps previously operated in more or less isolation from the outside world.

This unique service, now the greatest communication system of its kind in Canada, was inaugurated nearly 20 years ago on an experimental basis. At that time the chief reason for its existence was to provide telephone service via radio to four major B. C. points which were without modern communication.

Powell River, even then a thriving paper-mill centre 100 miles north of Vancouver, was linked up first. Radio-telephone bridged the 50-mile gap between the pulp and paper town and Campbell River on Vancouver Island where the landlines ended.

The Powell River development was followed by an extension to Ocean Falls, another paper mill area. A year later, the service reached out 400 miles north to Prince Rupert, perched on the tip of a rocky coastline which made landlines using poles impracticable.

The same year Prince George in Central B. C. got phones for the first time. Up to that time, both cities had been isolated. Since then, landlines have been put in to all but Ocean Falls which is still served by radio telephone.

Today 143 landpoints depend on the radio telephone for their phone communication.

843 Ships Get Bills

The first sea-going subscribers were a handful of tugboats, a salvage ship and a private yacht. Today 843 vessels get phone bills every month. They use medium frequencies. In addition, eight harbor craft are equipped with Frequency Modulation (FM) equipment.

All told North-west has nearly 1,000 subscribers who make around 10,000 calls a month.

In keeping with the trend toward FM, North-west has started a program to convert as much of its system as possible to this newer type of transmission. Also planned is a gradual conversion of a large portion of existing coastal MF system to the very high frenquency (VHF).

When this happens, Vancouver's favorite radio programs will be a thing of the past, unless they have short wave sets. Even then, it's a question whether they will be able to tune in the extremely high frequencies. As it is, the change-over to FM has reduced the province's radio eavesdropping to some extent.

The heart of this unique communication system is the B. C. Telephone Co.'s long-distance headquarters in downtown Vancouver. There, at a special "radio" board, sit the girls who handle all the ship-to-shore and point-to-point calls.

These specially trained operators are chosen for an intangible voice quality which is considered reassuring and for their self-assurance. They never know when they may be called on to be the key intermediary in a life-and-death drama.

Phones Doubled in 20 Years B. C. Set Five Records in '47

Conversationally speaking, British Columbia telephone customers talked at a record-breaking clip in 1947; more than 800,000 local calls a day.

This highlighted 12 months' operations of the B. C. Telephone Co. Altogether, five new records were chalked up:

1. Record gain of 20,276 telephones.
2. Grand total of 201,102 phones in service.
3. High calling rate of nearly 1.2 million conversations in one day.
4. Record long distance total of 5.3 million calls.
5. Record total of nearly 4,000 employees.

In 20 years, the number of phones in service has doubled. Vancouver alone added 9,734 last year, bringing its total to 113,278. But despite this deep slice into the backlog of demand, 9,000 applications went unfilled. Total applications throughout the whole system number 19,000.

All this made B. C. the second telephoning province in Canada. Ontario tops the list with 20.4 per 100 population. B. C. has 18.9 for every 100 population, a gain of .8 since 1940.

Some time this year, the company's $1 million William Farrel building, will be ready for partial occupancy.

BRITISH COLUMBIA 1948

Notwithstanding the great problems created by present inflationary costs and the lack of international economic and political stability, British Columbia looks forward in 1948 to continuing the rapid advances she has made in the past few years in all fields of endeavour.

While only undertaking at the present time those projects essential to the economic and social needs of a fast-growing area, an extensive capital works programme is being developed. Important extensions to the already large highway system and the improvement of existing roads are being carried out. Industrial and rural power supplies are being developed and extended. The existing plant in many of the fields of social, educational and health services is being brought up to the highest possible modern standards. These improvements are but individual parts of the whole progressive development of the Province.

With fewer resources and with less anticipation of continued growth, such a programme might be difficult to achieve. British Columbia, however, has constantly improved her financial position over the past few years so that it is now the equal of any in the provincial field.

Per capita net debt and interest charges have reached a new modern low as of December 31, 1947, when they were, respectively, $116.58 and $5.43 as compared with $177.74 and $8.42 in 1941.

DEPARTMENT OF FINANCE

HERBERT ANSCOMB, *Minister*

PROVINCE OF BRITISH COLUMBIA

Gold Output Down But Other B.C. Mines Boom

Mining is British Columbia's oldest industry and today, one of its paramount activities.

From the time the first nugget of gold was found in 1857 up to the end of 1947, the mines of B. C. had produced two and a quarter billion dollars of new wealth!

In that span of 90 years, they paid close to $300 millions in dividends alone.

Today the mining industry is third on the list of B. C.'s primary industries.

Last year, output from all mining sources was estimated at $110 million; dividends roughly $18 million.

This was a dollar value increase of roughly 50% over 1946. Only placer gold and silver showed a decrease.

Like almost every other phase of B. C. industry, mining has recorded a remarkable postwar advance in spite of a falling off in gold production.

Never before have B. C. mines produced so much wealth in a single year—$40 millions more than 1946 and $30 millions more than the previous record in 1941.

Result of High Prices

However, 1947's huge dollar value is not so much from record volume of production but from record prices, notably lead, zinc, and copper.

In some cases, volume is up too but for a variety of reasons. For example gold and copper are expected to show a substantial increase over 1946, but due to the fact that mines were shut down in 1946 by strikes.

Lead, zinc and silver and their by-products were also lower (detailed figures not yet available) although dollar volume is higher due to higher prices, particularly lead.

Coal, industrial minerals and materials are expected to show somewhat greater volume, both for quality and value.

The following table compares 1946 dollar values with estimated 1947 values indicating increases or decreases.

Product:	Value 1946 Final	 1947 Estimated	Increase (+) or Decrease (—)
Gold, placer	$475,361	$185,000	+$290,000
Gold, lode	4,322,241	8,345,000	+4,025,000
Silver	5,324,959	4,260,000	—1,065,000
Copper	2,240,070	8,840,000	+6,600,000
Lead	23,489,335	45,950,000	+22,460,000
Zinc	21,143,086	25,800,000	+4,660,000
Total, principal metals	56,995,052	93,390,000	+36,390,000
Coal (2,240 lb.) ton	6,220,470	6,335,000	+115,000
Miscellaneous	3,392,866	4,070,000	+680,000
Structural materials	5,199,563	5,615,000	+415,000
All mineral production	$71,807,951	$109,410,000	+$37,600,000

Thus, once again, pre-eminence of metals in the B. C. mining picture is pointed up. Of estimated total production value of $109 million in 1947, $93 millions was metal production.

Prospects are Bright

B. C. has been the second largest metal producing province in Canada for years. Despite depressed gold prospects the outlook for increased production and exploration of B. C.'s mineral resources appears to be bright.

Nonferrous metals are badly needed everywhere in the world. B. C. produces 90% of Canada's total lead; 60% of the zinc (the world's biggest lead-zinc mine is the Sullivan). Current demand is like a shot in the arm.

Further, B. C. continues to hold a "monopoly" on a number of other metals—antimony, bismuth, tin. While these special metals aren't a patch, dollarwise, on base and precious metals, they are an important factor in giving B. C. a diversified mining industry.

Seek More Exemptions

However, the industry is not at all satisfied with what is being done or with governmental attitude toward mines in general.

Spokesmen maintain B. C.'s industry could be much more vigorous and productive if taxation policies encouraged capital investment through exemptions until the original investment had been regained from production.

They point out that mining is unlike any other industry—a fact governments sometimes ignore. Present taxation policies, particularly of B. C. do not recognize says one mining official, the unique gamble involved in mining.

To illustrate the risk element, they point to the fact that the B. C. Department of Mines lists something like 17,000 mining properties. Yet there are only 19 listed as producers on more than a minor scale.

This large number of properties gives some idea of the widely scattered character of mineralization and potential productive capacity; but it also points up the odds against success.

Taxation and government policy which do not allow for this substantial element of chance are not realistic, say mining people, and can only have an adverse effect.

Unless the basic difference between mining and other industries is fully appreciated, exploration will always be retarded to some extent.

In most industries—even fishing—the factor of getting materials to process on hand involves only a limited amount of risk. This is not true of mining.

Get More Capital

Despite these conditions, large amounts of capital—local, eastern and United States, became available last year for investigation of known silver, lead and zinc areas. This revival of interest was due primarily however, to current higher prices.

In many respects 1947 was a boom year for these metals in B. C. and the Yukon. Camps that had been idle for years were revived while large numbers of prospecting parties were out searching for new deposits.

One of the richest and probably best known of the silver, lead, zinc areas is the Slocan. After a period of limited activity due to low prices, the eyes of many mining interests turned to this potentially important area.

According to Frank E. Woodside, manager B. C. and Yukon Chamber of Mines, mining company scouts were busy axamining many old mine workings, sampling stopes and drifts. A number have already reported successful results.

A favorable factor is that the Trail smelter is within easy distance of this famous camp. Freight rates are low on ore and concentrates while Consolidated Mining and Smelting Co. is ready to pay for all metals in Slocan ores.

Biggest Producer

Dwarfing all other mining operations in B. C. is the vast development of the Sullivan silver, lead, zinc mine at Kimberley, operated by Consolidated.

Not only does this mine produce the bulk of B. C.'s silver, lead and zinc, but is the world's largest producer of lead and zinc and the second largest producer of silver.

It also produces substantial quantities of gold, tin, antimony, busmuth, cadmium, ammonia, sulphuric acid, fertilizers and a large variety of chemical products.

It is the ore from Sullivan Mine that maintains the great Trail smelter which, in turn, is responsible for the higher degree of industrial development and economic prosperity which exists in southeastern B. C.

In fact, the vast operations of this company play an important and vital role in the welfare of the whole province.

Many other silver, lead, zinc areas are also witnessing a new lease on life. The Portland Canal camp located near the famous Premier gold and silver mine, is becoming increasingly active.

In the adjoining Alice Arm area, Mining Corp. of Canada has taken over the Toric mine and expects to have a 300-ton mill operating shortly.

At Beaverdell, in the Boundary area, rich silver ore in appreciable quantities is being produced at Highland-Bell mine while a number of prospects were under development.

The Lardeau, Omineca, Vancouver Island and many other areas are also being investigated for silver, lead and zinc ores.

Along Alaska Highway

New developments were indicated in the Taku River area in Northern B. C. while diamond drills are testing new "finds" along the Alaska highway.

At the same time B. C. continues to maintain its position as an important producer of copper. The entire output comes from Britannia and Granby Consolidated mines. It was reported that large tonnages were being developed, indicating many years of steady production.

Gold mines, despite the depressing effect of prices, continue to be an important source of B. C. wealth.

Bridge River, location of the well-known Bralorne and Pioneer mines, continues to be one of B. C.'s leading gold camps. Rich new ore has been developed in both mines and extensive operations were under way.

The Cariboo Gold Quartz and Island Mountain mines are the two producing properties in the Cariboo. Large Eastern interests recently entered this field and extensive exploration programs were started.

The Hedley area, famous for its gold is well up in the producing race. Here the major producers are Kelowna Exploration, operating the old Nickel Plate mine and Hedley Mascot.

South of Nelson is another important gold area being worked by Sheep Creek Gold Mines, Gold Belt Mining whose property is now being operated by North American Mines, and others.

Zeballos camp, on the west coast of Vancouver Island, has a noteworthy record of production with one mine. Privateer having produced $6 millions during its first six years of operation.

Another leading producer is Premier, at Stewart, B. C., while such properties as Polaris-Taku on the Taku River, in Northern B.C., Surf Inlet on Princess Royal Island and others were preparing for further production.

All this points up the fact that a major mining development is under way in B. C., embracing expansion of known mines and opening of new ones.

No less than 69 different minerals and metals are known to occur in B. C. So far only a small part of this tremendous area of potential mineral wealth has been tapped.

Consolidated Mining & Smelting, B. C. metallurgical giant, is not only a great producer of metals but a great consumer of electricity as well. Here lead anodes are treated by electrolysis for recovery of byproduct metals.

Old Mine Town Facing Revival

VANCOUVER (Staff) — Rebirth of the old mining town of Nicola, 12 miles from Merritt, B.C., is being freely predicted.

Situated 200 miles north of Vancouver, the town owes its revival to a new mining camp, just five miles outside Nicola proper.

The new camp, in turn, owes its claim to be the fastest growing mining site in the West to Anaconda Copper. About two months ago Anaconda crews appeared on the scene and began diamond drilling on the Copperade property of Guichon Mines.

Since then, there has been a feverish scramble by half a dozen other companies and groups to stake claims. The mineralized zone is believed to extend for about 12-15 miles between Nicola Lake and Squakum Mountain.

Centre of interest at present is the Copperade property, where Anaconda has an option on a 70% interest and has one gasoline-powered drill probing the downward continuation of a wide high-grade copper vein.

Close by, Young-Davidson Mines has staked 14 claims for Murray Lake Gold Mines. Wesley T. Davidson and Geologist James Crookston, both of Toronto, have visited the area. Other interests are: Copperdale Syndicate; C. J. Venn, and Guichon Mines.

Barge Will Carry 10 Freight Cars

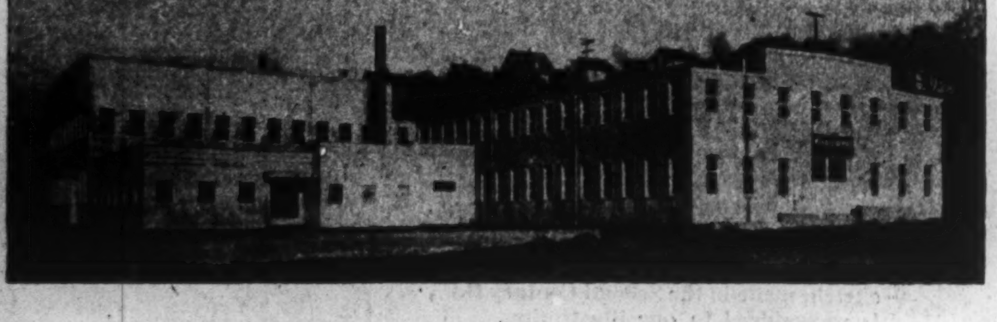
West Coast Shipbuilders, Ltd., Vancouver, has been awarded a contract to build a barge capable of carrying 10 freight cars.

For use on Okanagan Lakes, the barge is being built for Canadian National Railways and will be of steel construction, 240 ft. long, with a 39-ft. beam.

The barge and a tug to be built for Yarrows Ltd. to increase freight-handling facilities during an anticipated heavy fruit crop season will cost $350,000. The vessels will be shipped to Kelowna for assembly.

Woodfibre Plant

British Columbia
Pulp & Paper Company Limited
Vancouver, B.C.



75 YEARS IN BUSINESS

The Westminster Iron Works, manufacturers of logging equipment, marked its 75th Anniversary with the opening of a new modern plant in the city of New Westminster, B.C.

The plant designed specifically for logging machinery is fully equipped with modern tools, overhead cranes and facilities for servicing products.

The firm employs 75 persons in its plant, shop and offices.

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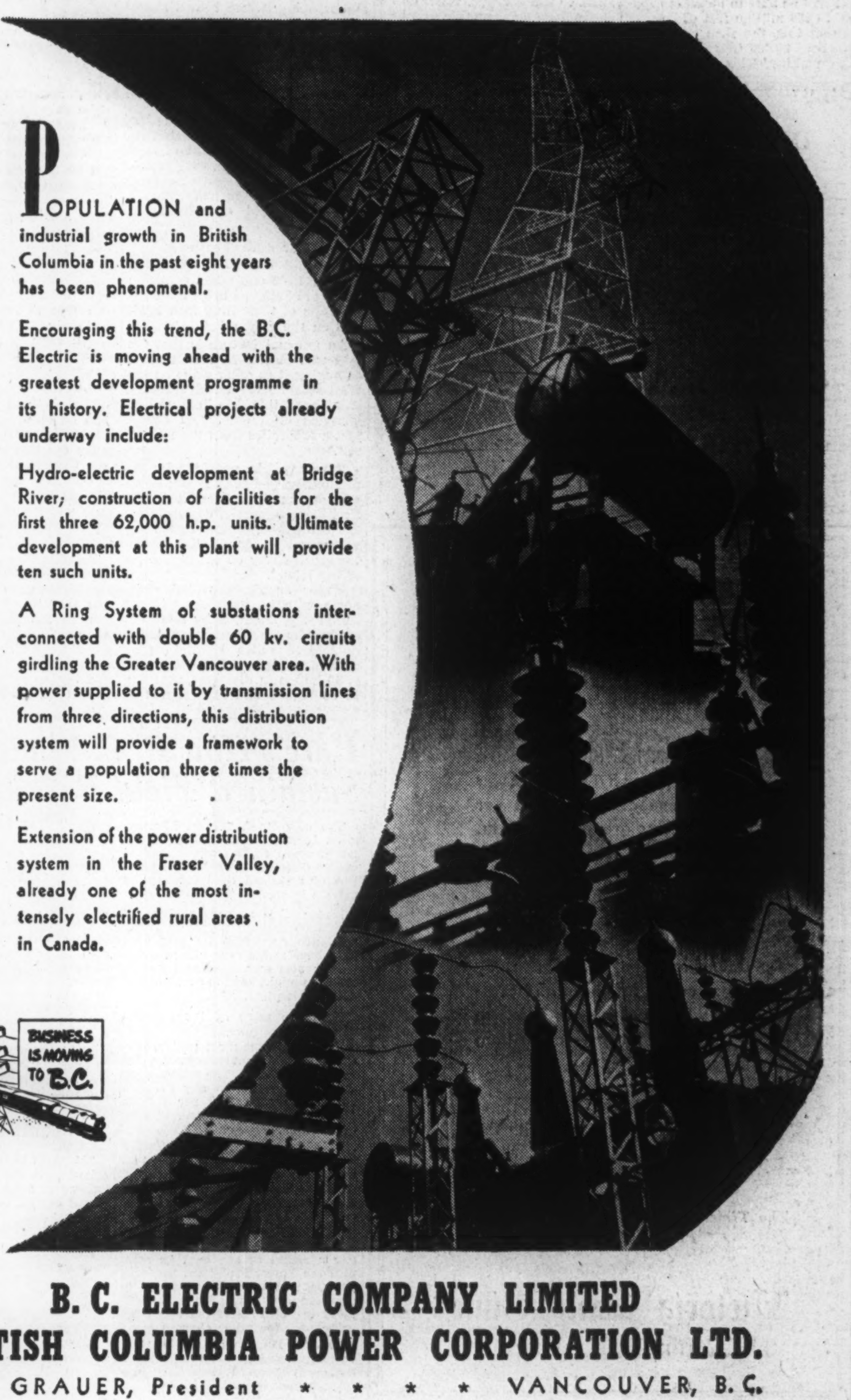


BUSINESS IS MOVING TO B.C.

POPULATION and industrial growth in British Columbia in the past eight years has been phenomenal.

Encouraging this trend, the B.C. Electric is moving ahead with the greatest development programme in its history. Electrical projects already underway include:

Hydro-electric development at Bridge River; construction of facilities for the first three 62,000 h.p. units. Ultimate development at this plant will provide ten such units.

A Ring System of substations interconnected with double 60 kv. circuits girdling the Greater Vancouver area. With power supplied to it by transmission lines from three directions, this distribution system will provide a framework to serve a population three times the present size.

Extension of the power distribution system in the Fraser Valley, already one of the most intensely electrified rural areas in Canada.

B. C. ELECTRIC COMPANY LIMITED
BRITISH COLUMBIA POWER CORPORATION LTD.
A. E. GRAUER, President * * * VANCOUVER, B. C.

Turning Sawmill Waste Into Unbleached Pulp

Port Alberni Mill Expands Wood Uses

The other day B. C.'s Forest Minister E. T. Kenny estimated that the waste from lumber operations in British Columbia's coastal areas alone could keep 15 pulp mills going.

It was just a guess but a good one based on what one firm has just started doing — making unbleached pulp using nothing but waste from its sawmill operations.

The firm: Bloedel, Stewart & Welch Ltd., at Port Alberni on the west coast of Vancouver Island.

Since the end of last year when the first batch of pulp was "blown," this pioneer B. C. forest company has been at least partially proving the truth of Kenney's statement.

The B. C. Forest Service estimates that in the past 25%-30% of the province's timber was wasted in cutting and another 30% in processing. Today, science and loggers, working together are utilizing more and more of what was previously waste.

How System Will Work

The new Bloedel, Stewart & Welch 165-ton unbleached sulphate mill is one of the results of this new trend. It marks an important step forward in wood utilization and an equally important milestone in the history of a firm which has been a leader in the Pacific Northwest forest industries for 35 years.

Bloedel's new pulp mill will get most of its wood by conveyor from Bloedel's own sawmill nearby — slabs, trims or rejects. But large quantities of previously waste wood from operations outside the Alberni area will also be used.

When in normal production, the new pulp mill will produce about 50,000 tons of pulp a year. As about two tons of wood chips are needed to make one ton of pulp, about 100,000 tons of chips will be required to keep the mill operating at capacity.

At present, the sawmill waste can't meet this demand. However, changes are being made and it is expected that eventually the sawmill will be able to increase capacity to 150 million feet of logs.

From this, the firm expects to get about 90,000 tons of chips for pulp making. This will still be 100,000 short of requirements for capacity operation but this will likely be made up of outside waste and small logs not handled directly in the sawmills.

In the meantime, and until two new hydraulic barkers are operating at the Bloedel mill, the pulp mill will draw on waste from the firm's two other sawmills; Great Central and Alberni Pacific Lumber, both in the Port Alberni region.

Will Use All the Wood

Apart from the market possibilities, one of the major factors in building a pulp mill at Port Alberni was a desire to make the fullest economic use of the company's wood resources, in line with the B. C. Government's policy of conservation and maximum utilization.

Conditions at Port Alberni are almost ideal for this. There is an abundance of suitable timber, adequate logging and processing facilities, together with a good water supply plus hydro (supplied by B.C. Power Commission).

Aside from the importance of its wood utilization features, the new mill is as modern as science can make it. Into its planning went thousands of miles of travel and several years inspection and research by Prentice Bloedel, president.

Designed by Howard A. Simons, one of the best pulp mill engineers in the country, the new mill boasts

1. Provision for chip separation and blending.
2. Direct and indirect cooking but designed for the former.
3. Automatically-controlled cooking cycle.
4. Automatic control of stock pump discharge from below tank regardless of head of stock in blow pump.
5. Continuous knot refinement and washing before brown stock washing.
6. Consistency control and blending before screening.
7. System for blending five or more cooks ahead of the drying cycle.
8. New design hydraulic log barkers with rotating nozzles.
9. Unique arrangement of mill permitting expansion, easy maintenance and low operating cost.
10. Complete instrumentation even to control of consistency and flow.

Other Mill Features

The mill has three digesters, each of 4,200 cubic feet capacity. These are believed to be the largest units of their kind in a kraft mill on the west coast.

An unusual feature is that the mill will burn lime rock instead of buying it as other mills on the West Coast have to. Eventually, it is hoped that this lime will be quarried on the Alberni Canal, just a few miles from the mill itself.

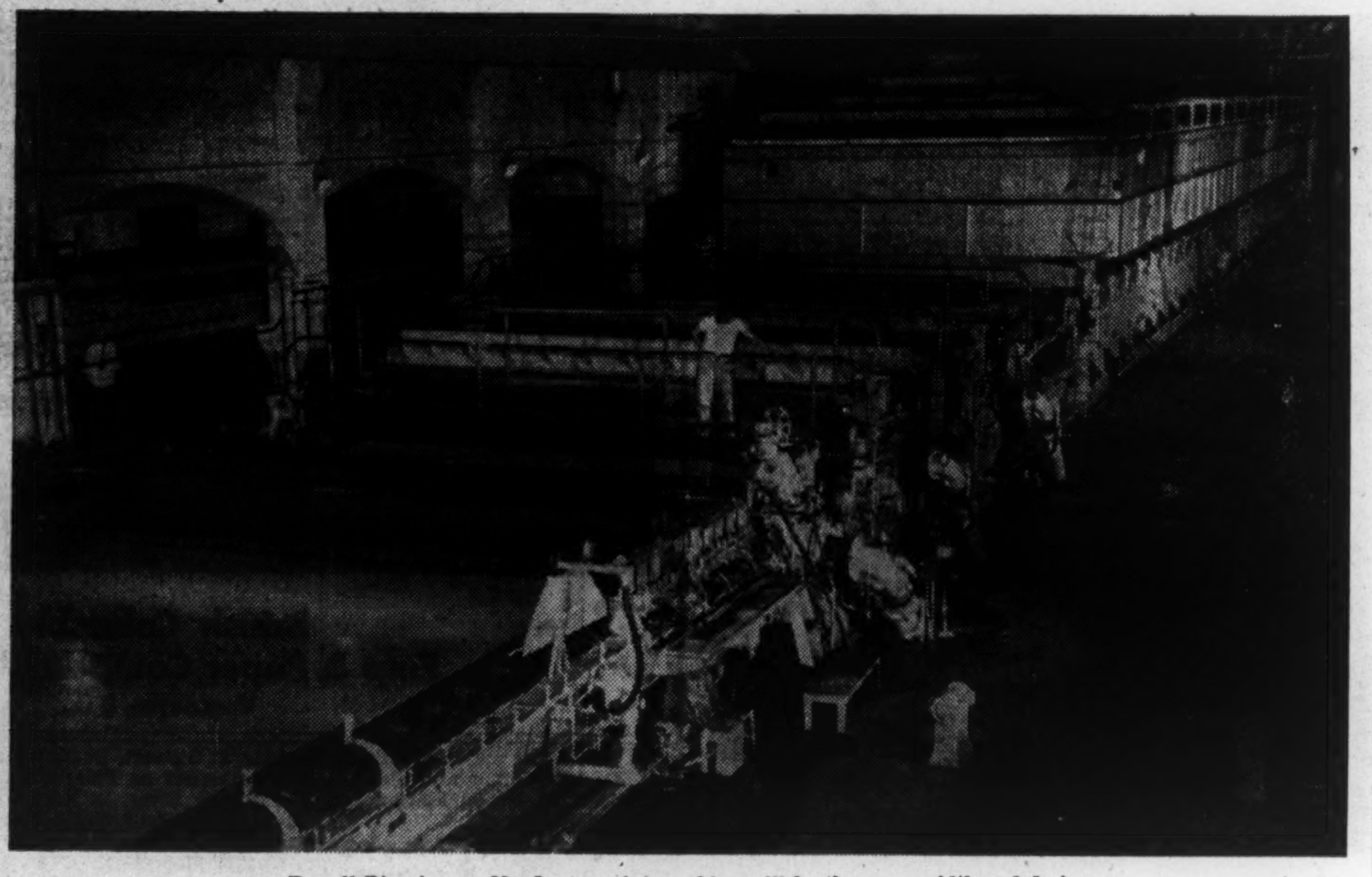
Power will be provided by the publicly-owned B. C. Power Commission. In fact, Bloedel is the first big commercial customer for the commission's new hydro development at Elk Falls on the Campbell River on the east coast of the Island.

Water supply provided engineers with an interesting if not difficult problem. They solved it by building a wood stave aqueduct, five miles long, to pipe water from Sprout Lake. The pipe is 36 inches in diameter, tapering to 30 inches and is designed to carry a maximum of 20 million gallons every 24 hours.

Building the acqueduct involved laying it across 600 feet of the bed of the Somass River. This section is steel. Originally the idea was to lay the pipe across the river in sections and have divers connect them up. But as this dependended on the whims of favorable tides, another system was devised.

The sections were welded on land on trestles. The ends of the steel pipe were then capped to make the line buoyant. The pipe was then floated off the trestles at high tide and towed into position. It was then partially filled with water and sunk into a deep trench which had been dug on the river bed.

Establishment of the mill at Port Alberni has some historical significance, in that the region was the site of B. C.'s first pulp mill in the 1890's. At that time no one had thought of using wood for making pulp. The raw material was ferns, waste paper and burlap ground up by wheels imported from England.



Powell River's new No. 8 newsprint machine will be the same width and design as No. 7, shown here, but modern improvements will speed up the operations to 2,000 feet per minute.

Powell River No. 8 Machine Has New Efficiency Features

Powell River Co. expects its new high-speed newsprint machine, No. 8, will be ready for operation during the third quarter of 1948 unless unforeseen difficulties arise, the company states.

At present all major designs are completed, the manufacture of the equipment is well advanced and building construction is approaching completion, it is stated. With the installation of the sole plates and foundations practically completed and the fabrication of the new machine itself well advanced and starting to arrive in Powell River, the big job is the actual installation, it is stated. Modifications of and extensions to other parts of the mill, in anticipation of the increase in demands upon them when the machine commences operations, are keeping pace with the paper machine project.

The new machine will be housed in a building which was partially completed in 1930 when the No. 7 machine was installed. It will be the same width as No. 7 machine (226 in.) and will be capable of mechanical operation at speeds up to 2,000 ft. per minute which is 600 ft. faster than the older machine, it is stated. This means one mile of newsprint, 226 inches wide, every 2½ minutes. When in operation it will boost Powell River's newsprint production to about 265,000 tons per annum.

Two features of the new machine will be (1) the installation of a back pressure steam turbine through which all process steam used by the machine will be passed supplying some 2,500 kv. additional relatively cheap power to augment the company's hydro power and (2) the recovery of the hot exhaust air by means of economizers which will heat the incoming fresh air in the ventilating system and the spray towers which will supply hot water for process purposes.

General construction work is being done by the B. C. Bridge & Dredging Co., Vancouver. The paper machine is being built by Dominion Engineering Works Ltd., Montreal. The paper machine drive will be supplied by Bepco (Canada) Ltd., Westmount, Que. Other suppliers are Rose Engineering Co. of Canada, Montreal; De Laval Co. of Trenton, N.J., and the Vancouver Engineering Works Ltd., Vancouver.

Here's How B. C. Plans to Aid Sustained Yield Forestry

The new B. C. "Forest Management License" is described by the Government as "an administrative device designed to enable the practice of sustained-yield forestry by private interests."

Under the system a licensee would be granted perpetual rights on lands on which he may now only have rights to existing mature stands; also any additional Crown lands he might need to permanently sustain his plant.

Here are some of the requirements:

Each applicant must post a substantial bond, not necessarily the same in each case. The minister has the final say, but in any event it will not exceed $500 per million feet on the estimated annual crop of the area.

This deposit is to be refunded when the Minister is satisfied that operations are being carried out satisfactorily. No deposit is required where an operator is already established in the area in which he is seeking a license.

On Crown lands licensees will pay a rental of one cent an acre, plus the Forest Protection tax, plus stumpage on the original crop. Future crops will require a straight yield tax of 16% of the appraised value plus the other charges.

Private lands will retain their original status as to taxes, rentals, etc., even though incorporated in a management license. Such holdings cannot be sold or transferred with authority. All tenures revert to the Crown when logged.

Who can qualify? Anyone but existing operators will be given first choice when applications for an area in which they are operating are considered.

How to apply? Applications must include a complete outline of the area being sought. This must include a tabulation of all applicant's timber holdings, together with a rough estimate of the sustained-yield capacity.

If the application is acceptable to the Forest Service, notice of such application will be advertised for 60 days. If there are no objections, the applicant can then go ahead and submit a working plan. If this is satisfactory a license will be granted.

MACDONALD MINES has received payment for Mar. 15 underwriting of $25,000 on 25,000 shares. Issued capital is 3,309,953 shares.

PRIVATEER MINE February production totalled $36,149 from treatment of 1,443 tons, an average recovery of $25.05.

SCYTHES & CO. advises that 250 preferred shares have been purchased for cancellation, reducing number outstanding to 15,370 shares.

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Capital of B. C. and Canada's Western Gateway

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With a growing population of 103,500 Greater Victoria serves a hinterland of 15,000 square miles, rich in natural resources. First and last call for shipping of the Pacific Northwest it has every seaport facility with the largest drydock on the North American Continent. Retail trade is estimated at $85,000,000 with a 70 million dollar increase in bank clearances last year indicative of the steady growth and progress.

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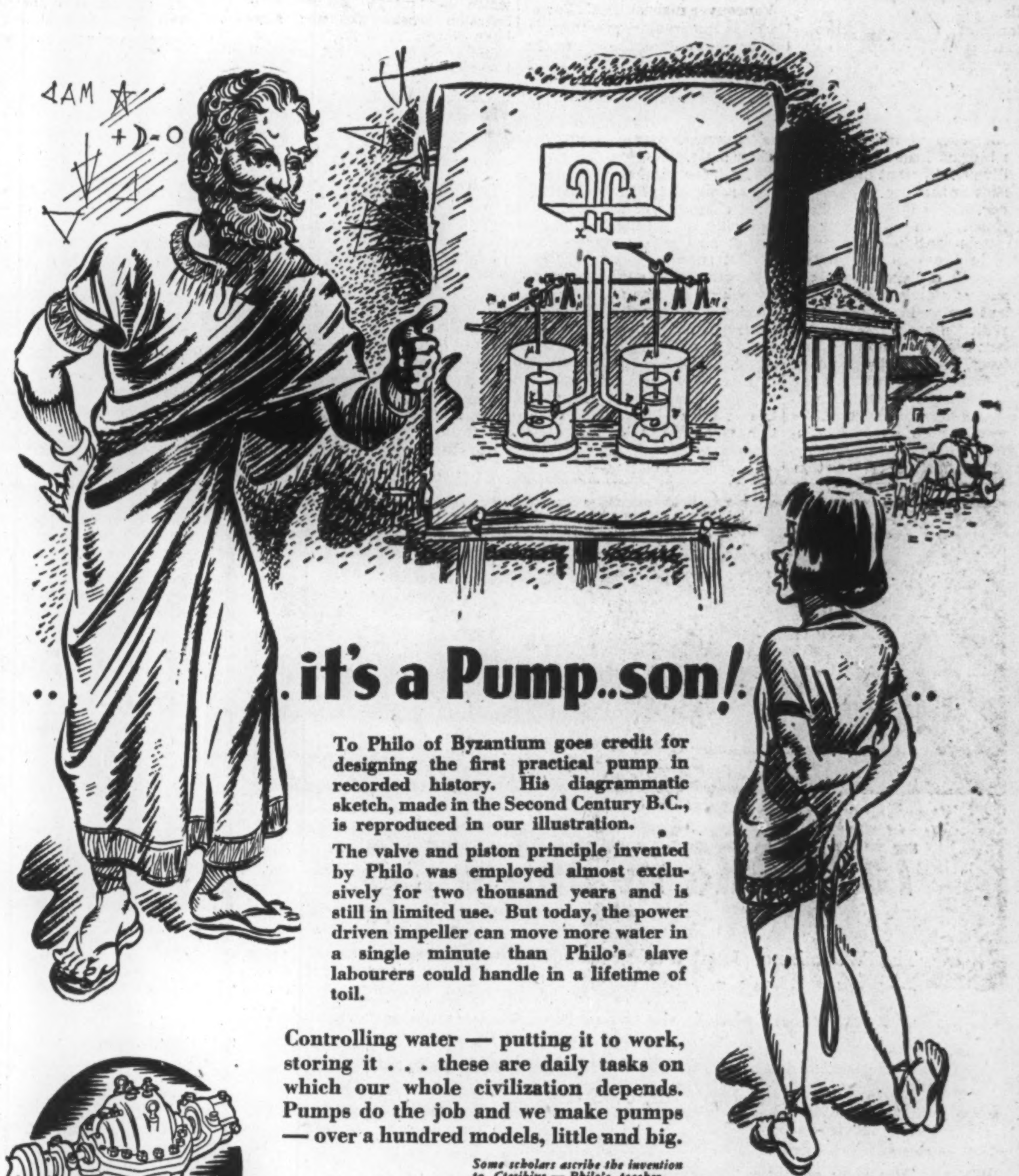

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To Philo of Byzantium goes credit for designing the first practical pump in recorded history. His diagrammatic sketch, made in the Second Century B.C., is reproduced in our illustration.

The valve and piston principle invented by Philo was employed almost exclusively for two thousand years and is still in limited use. But today, the power driven impeller can move more water in a single minute than Philo's slave labourers could handle in a lifetime of toil.

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Some scholars ascribe the invention to Ctesibius — Philo's teacher.

In British Columbia, if your problem lies within the field of hydraulics . . . consult us.

PUMPS & POWER, LIMITED
[illegible] YEARS IN HYDRAULICS

More Hydro Power to Serve Industry

B. C. Plans Major Developments, Surveys Resources

When it comes to electric power British Columbia isn't likely to be plagued with shortages.

The full extent of B. C.'s power potential has still to be estimated. But known potential is placed at between nine and 10 million horsepower.

So far only one million horsepower has been harnessed but B. C. is now entering upon a spectacular era of development of water power.

To meet the ever increasing demand and to be ready for the industrial development they confidently believe is on the way, B. C. has started a vast $80 million program of power expansion; $50 million by B. C. Electric Co. and $30 million by the government-owned B. C. Power Commission.

The two most inmportant developments are: B. C. Power Commission's 150,000 horsepower Campbell River project on Vancouver Island;

B. C. Electric's Bridge River installation designed to produce 600,000 horsepower. The first 62,000 horsepower unit will be ready some time this year.

In addition, Pacific Mills Co. is contemplating construction of a plant at Nascall River to augment its facilities at Ocean Falls.

B. C. is Prepared

B. C. is determined not to be caught with its switches down now that the era of the Pacific West as an industrial region is dawning.

When it comes to potential hydro-electric power B. C. takes second place only to Quebec. The latest estimate of the Dominion Bureau of Statistics shows that available waterpower resources amount to seven million horsepower at ordinary minimum flow and 10.9 million at ordinary six months flow. (Quebec: 8.5 million at minimum flow; 13 million at six months flow).

However, when it comes to potential undeveloped power resources, B. C. takes a back seat to no one. Potential power resources of enormous magnitude exist on the Fraser, Columbia and Pend d'Orielle rivers of the southern and central interior and on the Nass and the Bulkley in the north. On the main Fraser River alone at three different sites there are potential developments capable of giving about two million horsepower.

At the present time British Columbia is developing about 900,000 hp. About 600,000 hp. of this is in use in central electric stations for commercial and domestic use. The rest is being used by pulp and paper mills, mines and sawmills.

As for cost, B. C. has cheap power. It works out to about 1.17% of industry's total cost of production. The general over-all dominion average is 1.13%.

Current for all industrial purposes is 60-cycle and rates are quoted for all types of uses. The cost per kilowatt-hour is automatically reduced as consumption increases. Rates for wholesale power read as low as half a cent per kwh.

In 1947 electric power consumption reached a record high mark of 2.9 million kwh.

New industrial power connections made by the B. C. Electric Co. numbered 95 (to October 31). The net gain in connected industrial load for the year amounted to 16,128 hp. (last year 7,637 hp.).

Industrial Key

Already B. C.s water power resources have proved to be an integral part of the industrial activity of the province. Neither mining, forestry, manufacturing, agriculture and to a lesser degree, fishing, could have reached present stages of development without power.

The abundance of the power resources is due to two main factors:

First, the rugged topography; second, the prevailing moisture-laden westerly winds.

These two factors, the mountainous terrain and the heavy rain and snow fall, give B. C. the highest stream flow in Canada.

The St. Lawrence with the Great Lakes as enormous natural storage reservoirs, has only a ratio of maximum recorded flow to minimum recorded flow of 2.2 to 1; B. C. from 30 to 1 and 150 to 1.

And these are for only the surveyed rivers.

Surveys by the Federal Government have shown that the following are some of the most important potential power sites on the main Fraser River and its tributaries. These are by no means all or even a large part of the total potential power resources in B. C.

Fraser River, mainstream:
Lillooet 370,000 hp.
Moran 1,320,000 hp.
Soda Creek 310,000 hp.
Chilko-Paseko River to Bute Inlet, 800,000 hp.
Eutsuk Lake to Kinsquit River, Dean Channel 910,000 hp.
Tahtsa Lake to Kemano River, Gardiner Channel 845,000 hp.
Bridge River 350,000 hp.
Quesnel River 100,000 hp.

Here's Power Picture

Following is a description of the various major power plants including developments in the Vancouver, Victoria, northern coast, central interior, west and east Kootenay districts.

Vancouver district: B. C. Power Corp. is the major producer in this area, supplying power to the whole lower mainland. Five hydro plants on Slave River, Alouett River and Burrard Inlet have an aggregate installation of 249,000 hp. with an additional 24,200 hp. supplied by a steam plant in Vancouver. A transmission line to Britannia augments the 30,950 hp. developed on Britannia Creek by the Britannia Mining & Smelting Co.

Victoria District: This area is supplied by B. C. Power Corp. operating three hydro plants on the Jordan and Goldstream Rivers with an aggregate installation of 38,550 hp. A plant near Brentwood on Saanich Inlet supplies 6,000 hp.

Northern Coast: Prince Rupert and vicinity are supplied by the Northern British Columbia Power Co. which operates two plants on the Falls and Shawatlans Rivers with an aggregate installation of 5,720 hp.

Central Interior: B. C. Power Corp. has been operating a small 4,850 hp. plant at Bridge River to serve local lines. A large 600,000 hp. Bridge River project of this company is now in course of construction and will utilize more than 1,000 ft. of head from Bridge River to Seton Lake. The first 100,000 hp. unit will be in operation some time this year.

B. C. Power also supplies the City of Kamloops from the 2,000 hp. development at Barriere on the northern Thompson River. The steam plant at Kamloops supplies 2,000 hp. The northern part of the Okanagan Valley is supplied by B. C. Power Commission which developed 7,600 hp. on the Shuswap River.

West Kootenay District: This is a mining centre and power developed there is used chiefly in mining and resultant smelting processes. The West Kootenay Power & Light Co. operates five large hydro plants aggregating 346,000 hp. on the Kootenay River between Kootenay and its confluence with the Columbia River. The City of Nelson operates a hydro plant of 65,070 hp. on the same river. Power from these installations is supplied to Trail, Nelson, Rossland, Sheep Creek, the surrounding areas and the Southern Okanagan Valley.

Gas and Electric Appliance Sales Boom in Vancouver

Sales of electrical and gas appliances during 1947 in Greater Vancouver amounted to $8.9 millions, according to B. C. Electric Co.

In 1940, the last year when appliances were available in quantity, total sales were only $2.4 million.

In Victoria the comparative picture was the same. Total business added up to $1.5 millions. For the Island and the lower mainland, the 1947 figure was $10.5 millions.

Here's a breakdown of Vancouver sales: with '46 and '40 sales in brackets:

Ranges, 2,315(1,730; 1,192). Washing machines, 11,022(3,914; 3,406). Home freezers, 105(22; not available in 1940). Vacuum cleaners, 6,599(2,498; 807). Refrigerators, 5,221(2,180; 3,209). Automatic water heaters, 1,203(1,115; 51). Ironers, 624(60; 86).
Radios, 26,416(20,847; 12,765). Gas ranges, 2,351(1,843; 1,526).

West Kootenay Power & Light also operates 1.050 hp. plant on the Goat River near Erickson, supplying power to Creston and vicinity.

East Kootenay District: Principal producer in this area is the East Kootenay Power Co., operating two hydro plants on the Elk and Bull Rivers with an aggregate installation of 22,200 hp. In addition a steam plant at Crow's Nest Lake, Alberta, supplies further power to this district. Much of the power is used in mining operations at Kimberley.

The main development of water power for mining has been done by the West Kootenay Power & Light and the East Kootenay Power Co., and the Britannia Mining & Smelting Co. In addition to these, the Canadian Collieries (Dunsmuir) Ltd. operate a hydro plant of 8,500 hp. on the Puntledge River near Cumberland.

As for pulp and paper producers,, B. C.'s principal mills using water power are:

Pacific Mills at Ocean Falls: 26,850 hp. on Link River.

Powell River; 71,860 hp. on the Powell and Lois Rivers.

British Columbia Pulp & Paper with installations on Mill and Sedar Creeks at Woodfibre and at Fort Alice.

In addition to this development by private enterprise, the British Columbia Government has been in the business of hydro power since 1945. Although a late starter, B. C. Power Commission is gaining on the private field rapidly.

Projects under way or for which actual planning is well advanced are estimated to cost about $19.9 millions. As this practically exhausted the borrowing power available for such purposes, an additional $10 millions was borrowed under special legislative authority, making a total of $30 millions available for power development by the Government.

The first large capital construction project to be undertaken is at Campbell River on Vancouver Island. This will cost in the neighborhood of $10 millions and will service much of Vancouver Island outside the Victoria area, which is already served by B. C. Electric. The first two units will develop 25,000 hp.

Water Power

	Available 24-hour power at 80% efficiency At ordinary Min. flow H.P.	At ordinary 6 Mos. flow H.P.	Turbine Installation H.P.
British Columbia	7,023,000	10,998,000	864,024
Alberta	507,800	1,258,000	93,060
Saskatchewan	542,000	1,082,000	90,835
Manitoba	3,309,000	5,344,500	446,825
Ontario	5,407,200	7,261,400	2,679,740
Quebec	8,459,000	13,064,000	5,848,572
New Brunswick	68,600	169,100	133,347
Nova Scotia	20,800	128,300	133,384
Prince Edward Island	3,000	5,300	2,617
Yukon & Northwest Terr.	382,500	813,500	19,719
Canada	25,722,900	40,124,300	10,312,123

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BOBJO MINES in its 1947 report states that arrangements are being made to have a new company formed on the silver-lead mine of Atlin Ruffner Mines in which approximately an 88% interest is held. Resumption of work is planned.

An interest of about 75% is held in Amalgamated Knee Lake Mines which has merged properties of Johnston Knee Lake and Knee Lake Mines. A large vendor interest and options are held in Nickel Lake Mines. Exploration is planned on claim groups held in the Burge Lake (Quebec) and Osulake (Ontario) districts.

Included in investment portfolio at Dec. 31, 1947, were 42,490 shares of Dominion Magnesium, 163,816 shares of God's Lake, 486,875 Sand River, 200 Lake Shore, 800 San Antonio, 2,500 Moneta Porcupine and many other holdings.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Interest	$304	$221
Divds. rec.	438	604
Prof. on equip. sale	......	837
Total income	742	1,662
Less: Admin.	5,273	5,469
Bank int.	1,136	4,105
Prospect exps.	175	1,863
Net loss	5,842	9,775

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bds.	$2,325	$10,721
Acct. rec.	8,268	1,423
Total curr. assets	10,593	12,144
Adv. & inv. other cos.‡	918,450	876,815
Off. equip.	275	275
Mining prop.	127,120	167,266
Total assets	1,056,438	1,056,500
‡After res. of	258,411	280,919
Bank loan	$30,000	$25,000
Acct. pay.	1,898	1,119
Total curr. liab.	31,898	26,119
Capital stock	4,186,802	4,186,802
Less: Deficit	3,162,262	3,156,421
Excess of curr liab. over curr. assets	21,305	13,975

FANNY FARMER CANDY SHOPS 1947 net profit was off 12.9%. Sales of $17,779,965 were up $1,278,723 from 1946. The 1947 profits have been realized while raising prices a comparatively small degree, in proportion to the mounting costs, President John D. Hayes states.

Second Creams, French Crisp and many other candy favorites returned to the counters during the year, and business was extended through the opening of more Fanny Farmer Candy Shops. A great deal of work was done on the New York Studio during the year and the formal opening will be April 9.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Sales	$17,779,965	$16,501,242
Net earnings	2,217,291	3,013,742
Less: Tax reserve	841,579	1,183,222
Sundry reserves	......	251,000
Net profit	1,375,712	1,579,520
Less: Com. divds.	684,026	689,003
Co's. shs. purch.	124,387	38,993
Surplus for year	567,299	851,524
Earnings per Share and Dividend Record:		
Com.: Earned	$4.02	$4.59
Paid	1.50+0.50	1.50+0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$1,067,985	$1,096,976
Govt. & mun. bds.	530,212	1,185,582
U. S. treas. certifs.	509,000	1,226,000
Securities, less res.	115,838	55,838
Inventories	1,451,201	1,287,864
Total curr. assets	3,674,236	4,852,260
Prepd. def. chgs.	20,479	18,921
Fixed assets*	2,950,305	1,274,900
Total assets	6,645,020	6,146,081
Accts. & tax pay.	1,080,070	1,311,132
Other curr. liab.	179,162	366,400
Total curr. liab.	1,259,232	1,677,532
Capital stock	763,821	763,821
Surplus▲	4,621,967	3,704,728
▲Incl. ref. EPT	......	387,849
*After depr. of	2,651,165	2,457,054
Working capital	2,415,004	3,174,728

DETROIT INTERNATIONAL BRIDGE CO. 1947 net profit was off 4.3%. Gross revenue was $878,523 ($791,049). A total of 1,500,904 vehicles used the Ambassador Bridge during the year, an increase of approximately 11%. Truck revenue was up more than 23%. Much of the increase is attributed to improvements made during the year in the warehouse facilities and grounds at the Canadian terminal of the bridge.

The Canadian Transit Co. declared a dividend in 1947 to the Detroit Int. Bridge Co. amounting to $64,000 (net $60,800 after 5% Canadian withholding tax). This action was approved by the Canadian Foreign Exchange Control Board, but authorization to export the funds is held in abeyance pending determination of the taxable income of the company for 1947.

It cannot yet be determined what effect tightening custom regulations and procedures at the border will have on traffic during the current year, President C. C. Campbell states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$481,690	$433,915
Less: For'n exch. loss	1,025	•46,292
Depreciation*	1,688	482
Inc. taxes	103,037	86,804
Net profit	375,940	392,921
Less: Dividend	297,018	391,894
Surplus for year	78,922	1,027
•Credit.		
*Of furn., fixt. & auto. equip.		
Earnings per Share and Dividend Record:		
Common	$1.01	$1.05
Paid	0.80	1.20+100%*
*Stock dividend.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bonds*	$828,204	$833,532
Accts. rec.	9,224	6,658
Total curr. assets	837,428	840,190
Prepaid chgs.§	68,997	74,846
Fixed assets	2,707,626	2,678,506
Total assets	3,614,051	3,593,542
Total curr. liab.	181,664	158,663
Replacement res.	85,000	85,000
Deferred inc.	......	21,996
Capital stock	373,232	373,232
Less: Stk. held by sub.	81,789	......
Capital surplus	2,322,197	2,322,197
Earned surplus	733,747	632,454
*Incl. U. S. treasury notes and Dom. bonds.		
§Incl. in curr. assets in co's. report.		
Working capital	655,764	681,527

CANADIAN WESTINGHOUSE CO. 1947 net profit was up sharply at $2,300,288 ($605,905). The problems of 1946—reconversion, material shortages and labor difficulties — were largely overcome and the value of shipments for the year exceeded that of any since the company commenced business 44 years ago.

Demand for home appliances was in excess of company's ability to produce them, and the requirements of the railroads for rolling stock and replacement parts were sufficient to utilize to capacity facilities for the manufacture of air-brake equipment. Contracts were placed by public utilities for electrical generating and associated apparatus. With only a few exceptions it is anticipated that this demand for company products will continue for the greater part of 1948, it is stated. To meet these requirements and also because of increases in material costs and wages, inventories have increased in value over the previous year by some 50%, or $4,796,703, to a record high of $14,149,590.

The B. F. Sturtevant Co. of Canada, Galt, Ont., was purchased last year and its cost is carried as an investment in the balance sheet of the company.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$4,704,647	$386,284
Add: Gen. res. trans. re rehab. exp.	......	600,000
Less: Deprec.	604,359	530,379
Dom. taxes	1,400,000	•450,000
Pension fund	400,000	300,000
Net profit	2,300,288	605,905
Less: Dividends	888,926	1,060,875
Surplus for year	1,411,362	▲454,970
•Credit recoverable by co.		
▲Deficit.		
Earnings per Share and Dividend Record:		
Earned	$4.01	$1.06
Paid	1.55	1.85

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$2,242,506	$958,617
Accts. rec.	3,791,719	2,412,446
Invests.†	6,144,656	6,144,669
Inventories	14,149,590	9,352,887
Total curr. assets	26,328,471	18,868,619
Misc. assets▲	1,569,042	1,636,627
Fixed assets	5,030,739	5,123,172
Total assets	32,928,252	25,628,418
Accts. & tax. pay.	2,946,111	1,616,586
Other curr. liab.	7,787,982	3,229,835
Total curr. liab.	10,734,093	4,846,421
Re bldg. purch.*	600,000	600,000
General reserve	1,525,000	1,525,000
Capital stock	10,200,200	10,199,400
Surplus	9,868,959	8,457,597
†Market value	6,321,900	6,328,737
▲Incl. ref. EPT	805,000	805,000
*Secured by ref. EPT.		
Working capital	15,594,378	14,022,198

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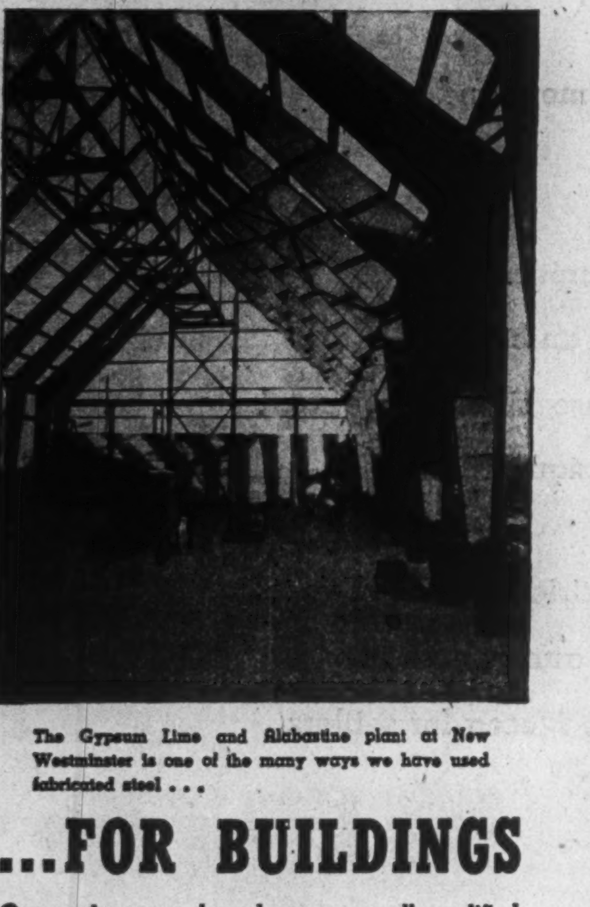

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How Long Will B.C. Forests Last

Here Are Steps Being Taken To Ensure Supply for Future

Wood spells wealth in British Columbia. Nearly half of B. C.'s wealth comes from her forests. They are her No. 1 industry.

But wood, like wealth, needs a rich capital base on which to grow. The government and some far-sighted operators are afraid the industry is digging into its capital of natural resources.

Last year B. C.'s vast forests brought a record $225 millions.

This was 30% more than 1946; three times as much as 1939. Even Canada's entire gold industry only produced $100 millions.

The average annual cut during the last 10 years has been 2.5 billion feet. Last year it was 4 billions.

What of the Future?

The question looming large on the forest horizon in recent years has been: How long will available stands last at this rate?

Last year the Government decided that B. C.'s rich heritage of virgin timber which has been the foundation of the province's development so far, is gradually disappearing.

The result:

(a) Legislation designed to perpetuate forest resources through a system of forest management licenses for private interests.

(b) A $1 million reseeding program. This year 16 million trees will be planted. Next and succeeding years, 20 million.

The first license has recently been awarded, reportedly to the Canadian Cellulose Corp. which is building a $15 million plant at Prince Rupert. Large operators, generally speaking, are in favor of the scheme. But small operators, despite government reassurances, are afraid they are going to be squeezed out.

It is hoped the license system will bring about:

1. Sustained-yield management to produce as much wood as possible.
2. Establishment of permanent communities and forest industries.
3. Utilization of forest resources to a maximum.
4. Perpetuation of forest resources.

In return, licensees get:

1. An opportunity to personally manage forest lands covered by his license. No other operator would be allowed to cut in that area.
2. Perpetual tenancy and a chance for long-term planning.
3. Reduced annual taxes.
4. An assured wood supply, adequate to maintain his industry for all time; or alternatively, a definite proportion of his wood requirements in perpetuity.

(For details see accompanying story.)

These are the first two steps in the Government's program to halt forest depletion. B. C.'s huge annual crop of lumber has been and still is the dominating factor in her economy.

Today there are nearly 1,300 operating mills — nearly three times as many as a decade ago. Still standing are an estimated 254 billion board feet — enough to build a fence around the earth a mile high.

The Government's Plans

This, says government spokesmen, is the province's most cherished asset. Hon. E. T. Kenny, Minister of Lands and Forests says the destiny of B. C. is permanently bound up in the use she makes of her forest resources.

The rich heritage of virgin timber, he adds, which has been the foundation of B. C. development so far, is gradually disappearing.

Now, says Kenny, speaking for the Government, is the time to take immediate and vigorous action to ensure adequate second-growth stands.

The B. C. Forest Service has always recognized the need for efficient utilization and protection, he states, pointing out that this was confirmed in the Sloan report of 1946.

Now the Government is doing something about it. Last year $1.5 million was allotted for forests — three times more than any previous expenditure. This year it will probably run closer to $3 millions.

The Government is convinced that forest resources are a fast-wasting asset unless adequate protective and preservation measures are undertaken.

The Forest Record

B. C. leads all provinces in both quantity and value of sawmill products. She produces approximately half the total Canadian lumber cut. In fact, B. C. exports 17% of her lumber to other provinces. Another 50% of the lumber and 50% of the plywood is exported outside Canada.

Last year's cut measured a record-breaking four billion board feet. This has been the dream of many lumber men but hardly one thought it would become reality. Last year it did, dwarfing 1946 production by one billion feet.

What made 1947 crop even more remarkable was the fact that many thought the 1946 cut of almost three billion feet was the peak. From there, things would begin to slip. But like a lot of other people, they guessed wrong. The postwar letdown is still only a small cloud on the forest industry's horizon.

The darkest patch in that cloud was U. K. exports. For months, since Britain's dollar shortage began to really pinch, B. C. lumber operators have been going around in circles, wondering what was going to happen. They thought they were going to lose their important U. K. markets yet wouldn't be able to sell their surplus to the United States.

Last month, some of the uncertainty was cleared away. Now the B. C. lumber men have the go-ahead signal. The U. K. is still cutting back 1948 contracts but instead of cutting them off entirely, as some had expected, they are, for the present, seeking a revision in prices and a six-month extension of the delivery date.

The Export Market

But more important, the industry has been given the green light by Ottawa to get going into world markets, including the U. S. Effective immediately, lumber (including timber) may be exported to world markets, subject only to the following restrictions:

1. 40% of each mill's production of shipments, whichever is the greater, must be retained for domestic requirements.
2. Priority reserve of 15% reduced to 10%.
3. No exports of the following: (a) "D" Clear and Better Fir, Hemlock, Sitka Spruce in excess of 10% of shipper's total export shipments; (b) "D" and better clear flooring, edge, angle or fault grain other than cedar; (c) Doors, sash, millwork, railway car material, fir lath.

There were sighs of relief when the operators received the new order from the B. C. timber controller. Up to then they were afraid they were in for the same medicine as Eastern Canadian operators whose contracts have not been renewed, resulting in decreased production.

B. C. operators weren't worried about whether they could sell their lumber; only if the Government would let them if the U. K. decided she couldn't afford B. C. lumber as well. Since the war, world-wide housing shortage has created unlimited demand by nations cut off from B. C. lumber through six years of war.

Great as production has been it would have been far greater if supply could have matched demand. Demand still outstrips supply by a wide margin.

Originally, the U. K. contract was due to expire at midsummer. This will probably be extended six months. By that time, Britain expects to be back on her feet again and more drastic measures may not be necessary.

Another factor being considered by lumber men is that European timber-exporting countries are getting back in their stride much faster than was expected. It seems their forests were not damaged as seriously as had been reported.

Look to Competitive Times

B. C. lumber men are being realistic about this return to normalcy. They draw the logical conclusion that as the supplies of European lumber increase toward prewar volume, the demand for B. C. lumber will shrink.

The Government is emphasizing this economic fact more and more. In his last budget speech, Finance Minister Herbert Anscomb said:

". . . It would appear, therefore, that unless the industry is able to improve in mass production techniques to the point where the quantitative element will offset the ever-increasing labor and production cost, then the Province will drift into an ever-weaker export position.

"To continue to be competitive, B. C. will have to eliminate waste and wasteful practices . . . Our manufacturing techniques and our economy will have to be improved and the costs of our finished product must not be higher than a healthy industry can support.

The industry has already gone a long way to meet the Government's suggestions. More efficient processing methods (mechanized cutting equipment; hydraulic barker's, etc.) are increasing production while new techniques are making saleable products out of what has been up to now, largely waste.

Eliminate Wastage

Loggers and scientists, working together on the problem of wood utilization, have, they believe, evolved new processes which will place the lumbering industry on a par with packing houses which make use of "everything but the squeal."

Previously roughly 25%-30% of the timber cut has been wasted in the woods and about the same amount in the processing. A lot of the woods waste is being eliminated by mechanical equipment, particularly power saws. These leave a stump of only a few inches.

The H. R. MacMillan Co. is financing a $12 million pulp mill using nothing but waste or low value byproducts from the firm's other operations.

Tops and branches which used to be burned are being used today for making kraft paper and cardboard.

Sawdust, formerly either left as waste or sold for fuel, is now being treated for cardboard and wallboard manufacture. Ethyl alcohol, plastic resins and industrial acids are also being extracted. Today no sawdust is being sold for fuel.

Hemlock and cottonwood, once the outcasts of the forests, are now being used for plywood. A method of utilizing these unwanted woods was introduced by two groups of Czech forest engineers. Today mass production of plywood, using this new process, is perhaps one of the most significant developments in the industry.

Softwoods appeared this year for the first time in a new guise — hard as oak, maple or birch. The trick: impregnation with chemicals discovered during wartime research.

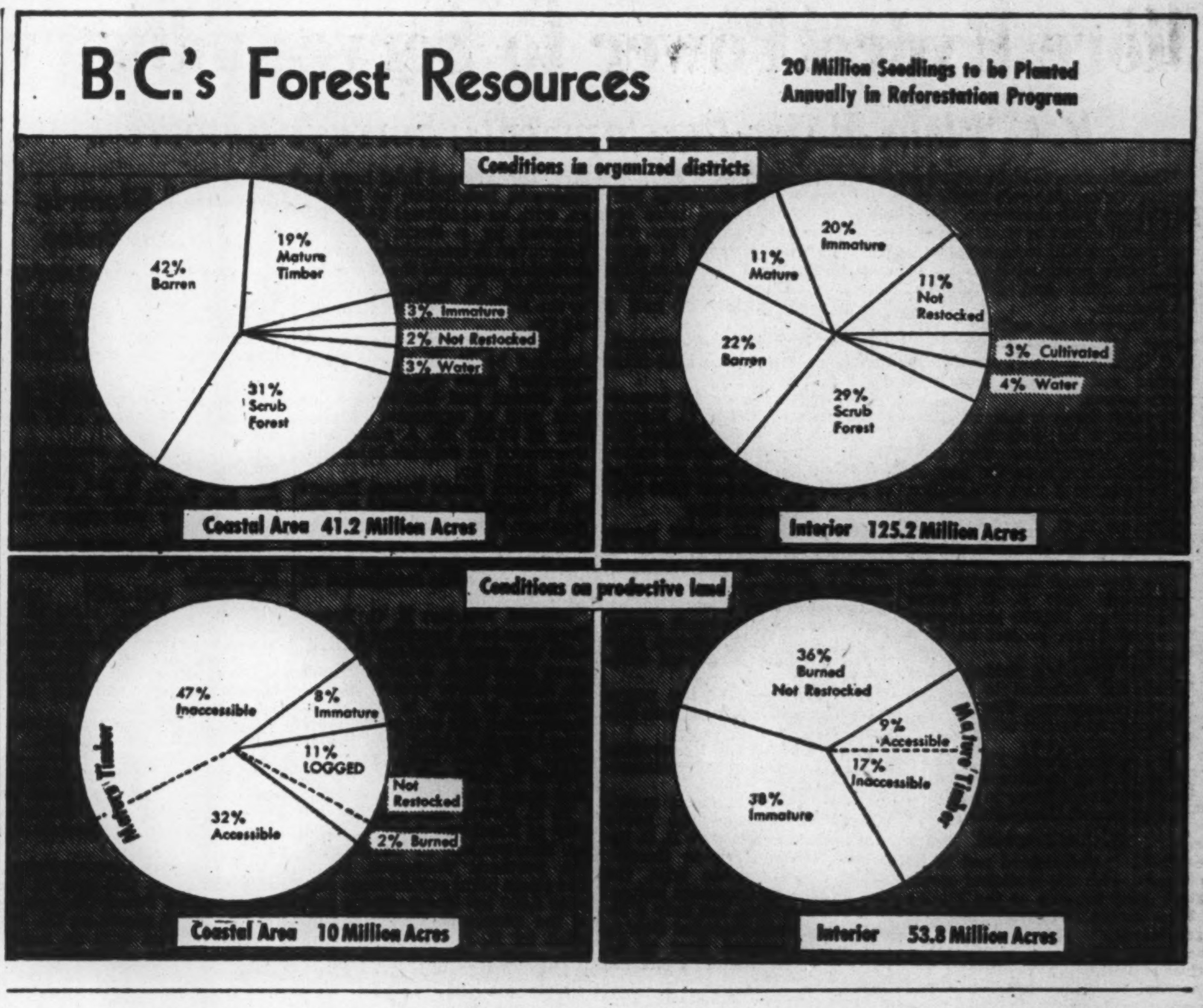
Here Are Overseas Customers For B. C. Lumber Last Year

Waterborne shipments of lumber from B. C. during 1947 amounted to 1,109 million board feet, an increase of 48.8% over 1946.

The annual report of the Pacific Lumber Inspection Bureau (covering Washington and Oregon as well as B. C.) listed 20 countries which bought B. C. lumber last year.

They are:

	B.C.	Washington	Oregon
Africa	69,135,546	18,672,250	50,756,991
Australia	71,313,289	15,127,309	27,248,815
Belgium	179,817	3,337,608	12,736,583
Central America	....	226,482	48,992
China	48,426,066	34,104,827	55,180,921
Denmark	....	647,459	763,605
East Indies	39,168	....	....
Egypt. Pal. Arabia	28,450,573	8,472,913	4,530,160
France	26,106,864	3,654,566	5,977,558
Greece	....	....	3,516,747
Holland	52,812,596	6,622,045	11,665,001
India	8,743,659	1,711,301	2,920,373
Italy	80,263	1,383,874	396,729
Mexico	6,782	831,392	20,500
New Zealand	15,362,156	1,827,901	2,190,144
Newfoundland	92,448	3,166,798	3,881,415
Norway & Sweden	....	2,435,765	782,787
So. Amer., E.C.	4,560,727	12,463,625	10,774,975
So. Amer., W.C.	958,213	11,221,225	22,854,502
So. Sea Islands	6,387,557	1,435,160	808,620
United Kingdom	744,803,618	112,696,470	283,117,334
West Indies	18,934,420	38,184	....
Unclassified	12,596,718	4,139,144	951,788
	1,108,990,481	244,216,298	501,130,540
DOMESTIC			
Alaska	....	13,191,495	3,063,703
Atlantic Coast	....	260,402,666	217,871,640
California	....	43,883,085	166,544,032
Hawaiian Islands	73,357	28,169,209	32,846,870
Panama Canal Zone	....	1,773,007	5,942,000
Philippine Isles	....	53,370	160,787
Puerto Rico	....	2,310,381	847,889
Unclassified	112,771	....	....
	186,128	349,783,213	427,276,921
Total lumber shipped	1,109,176,609	593,999,511	928,407,461



B.C.'s Forest Resources

20 Million Seedlings to be Planted Annually in Reforestation Program

BRITISH COLUMBIA • Land of Opportunity

From the industrial, investment, and settlement standpoint, British Columbia is indeed a Land of Opportunity.

Its vast natural resources, its open ice-free ports, its abundance of power, its widespread electrification, and its salubrious climate offer unique inducements to the industrialist.

"Half-way House" on the trade routes of the world, and gateway to the huge potential market of the Orient, its advantages as a site for industrial expansion are obvious.

Its advanced living and labour conditions and social and labour legislation all make for contentment and a low labour turn-over.

From the investment standpoint the opportunities are innumerable. British Columbia is definitely an industrial province, with basic industries of immense significance and secondary industries of great and growing significance.

The same conditions that appeal to the industrialist — the climate, the living and social conditions, the whole atmosphere of contentment and prosperity — make it the Mecca for settlers from all parts of the English-speaking world.

THE DEPARTMENT OF TRADE AND INDUSTRY
PARLIAMENT BUILDINGS, VICTORIA, B.C.

E. G. ROWEBOTTOM, *Deputy Minister*
HON. LESLIE H. EYRES, *Minister*

'48 Salmon Fishing Prospects Better

Hell's Gate May Help Fishermen Pass 1947 Mark

The books aren't closed yet on British Columbia's 1947 fish catch but preliminary estimates indicate that the market value of all fish caught will exceed $50 millions. This will top the previous record by $7 millions.

Some of this dollar increase was due to higher prices but volume of fish caught is also up considerably. This is true particularly in regard to halibut and herring and in no small way to salmon. The salmon catch, however, was off in the valuable grades, compared with 1945 and 1946.

However the prospect for 1948 salmon fishing is good. The report of the Department of Fisheries on salmon spawning indicates a significant increase in the number of sockeye salmon spawning in the upper regions of the Frazer River system.

This increase is attributed to the success of the new fishways at Hell's Gate on the Fraser River and Bridge River.

B. C. Halibut fisherman benefited last year at the expense of fishing brothers in Seattle where a strike forced American buyers to seek raw fish in the Canadian market.

Herring seiners also reaped a rich reward but, according to the Dept. of Fisheries, it could have been much richer. Again this year pilchards were a failure. This is the second year the pilchard catch has been disappointing.

Fishermen, under their present agreement, will get about 60% of the value of the 1947 catch; in other words about $25 millions. The rest will go to canners and shore operators.

In 1947 as in 1946 approximately 80% of the B. C. fish catch was made up of sockeye and chums. Altogether the salmon catch will probably be around 1.4 million cases in 1947.

Sockeye production was approximately 20% below the cycle year in 1942 but with this exception, it was still the highest since 1913. Total sockeye production is estimated at about 550,000 cases as against 666,000 in 1942.

Like the pangs of reconversion being experienced by other primary and secondary industries, B. C.'s fishing industry has been affected by changes in postwar markets. But as long as the world is short of protein, B. C. fishermen feel they will always have a good market for fish for it is high in protein value.

Streamline Methods

Furthermore B. C.'s fishing methods have been modernized and streamlined. Today there is hardly a fishing vessel operating off the B. C. coast which does not have its electronic "echoer" for searching out schools of fish.

Previously, schools were located by trailing a wire line behind the fishing boat. When it touched a school of fish an electric impulse was recorded on a screen. This system had its advantages but it was a hit-and-miss system because fishermen didn't know where to start looking for the schools. Today, with radar-like equipment, fishing boats can go searching wide areas of ocean at cruising speed and if there are any fish in the area, they can not help but find them. The new equipment not only sends signals down but also horizontally.

This has meant great savings in operating costs and overhead. It has eliminated a lot of guesswork out of commercial fishing. Where they were able to make one catch before, they can make two and perhaps three catches now.

In fishing, B. C. is dominant in Canada: for the past few years about 40% of the total Canadian value of fish products has been produced in B. C.; 50% of the total Canadian investment in fisheries is in B. C., 28% of all fishery workers are employed in B. C.

The last report indicated $18 millions was invested in vessels and gear; $19 millions in canning and processing plants, giving a total of $37 millions total investment.

The industry employs about 20,000 people, half in actual fishing and half in processing.

Of B. C.'s fish market abroad, the United Kingdom is the most important, followed by the United States, British India and Australia in that order.

Salmon Fisheries

Because of the importance of salmon in the over-all picture of the B. C. fishing industry the work of the International Pacific Salmon Fisheries Commission has been watched with keen interest. The goal of the commission is to regulate the catch and develop conservation methods.

Appointed in 1945, the Commission was authorized to regulate the catch for the first time in 1946. Under the U. S.-Canada Treaty its goal is to regulate as near as possible on a 50-50 basis. In 1946 Canadian fishermen took 56.1% of the total Fraser River sockeye salmon catch while American vessels accounted for 43.9%.

An important project of the Commission was the construction of special fish weirs at Hells Gate, a rockbound canyon 130 miles up the Fraser River, which for more than 30 years has been a death trap for millions of fish. The weirs went into use for the first time during the 1946 run up the Fraser and were directly responsible for the fact that the number of sockeye reaching the spawning grounds in the interior lakes and tributaries is two to four times greater than in 1942, the last previous cycle year.

(The salmon cycle is four years. In that period, the fish mature and then return for spawning.)

The Fraser River salmon runs have been impaired since 1914 when a slide caused during railway construction blocked the narrow channels of Fraser at Hell's Gate and created a boiling whirlpool of water which fish weren't able to battle against. Actual statistics show that Fraser River catches of salmon were reduced by 30% to 60% following these man-made rock slides.

When the water was low the rapids in the Fraser resembled a series of waterfalls and there were tremendous losses to spawning fish. In such season they piled up and died by the millions around the Gate.

Because of the sharp fall of 25 ft. to 40 ft. at low water, ordinary fish ladders would not have been much help. Instead two parallel weirs on each side of the river were built of heavy concrete at a cost of about a million dollars. By a series of baffle walls water going through the weirs is channeled into a chain of small whirlpools with backwaters in behind. Fish returning to the spawning grounds leap up from one pool to the next and then the next and are able to rest when they want to in the backwater. At high water the weirs may be completely submerged but are not needed then as the fish can make their own way up the main current without assistance.

It was the sharp drop in fall and the tremendous and prolonged current of the canyon during low water that kept them from getting upstream to spawn and die.

Actual tests through tagging fish and measuring spawns show that the new weirs have successfully passed through a large percentage of salmon. Fish were caught below the canyon, tagged and then released. In a short time the same fish were taken out of the river in good condition well above the former obstruction.

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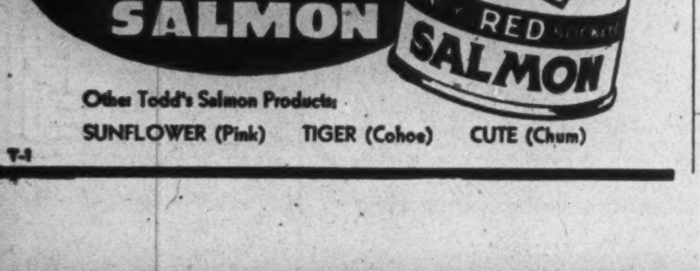

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Victoria, B.C.
TODDS Horseshoe FANCY RED SOCKEYE SALMON
Other Todd's Salmon Products:
SUNFLOWER (Pink) TIGER (Cohoe) CUTE (Chum)
T-1

Will B. C. Fishermen Turn To Deepsea Tuna and Albacore?

Aided and encouraged by the Canadian Government, British Columbia commercial fishermen are going to try to cut themselves into the rich harvest from tuna and albacore.

This means that this year Canadian fishermen will venture farther into the Pacific Ocean than ever before and also challenge for the first time the monopoly of American and Latin American interests who have in the past few years made themselves rich on these deep-sea fish.

It is also possible that B. C. fishermen will once again run into their prewar competitors, the Japanese, who are reported to be preparing for an extensive operation in the tuna grounds of the middle Pacific.

Only recently have Canadians realized the possibilities of tuna fishing. Previously the albacore and tuna were left almost exclusively to Americans and Mexicans.

However, the eye-opening success of the few Canadians who did attempt tuna fishing in the past two years has paved the way for what will likely be a substantial invasion of this fishing field this year.

Tuna and albacore sell for more than $500 a ton. Last year the relatively few B. C. fishermen who went after these big fellows accounted for a revenue of more than $215,000. This year the B. C. deep sea fishermen will be accompanied by a federal government patrol vessel. Its primary purpose will be to investigate the possibilities of tuna fishing, obtain scientific data on the presence and volume of the fish in certain areas and communicate such information to the commercial fishing fleet manned by B. C. fishermen.

The government patrol vessel will be a steel craft about 115 ft. long. It will be equipped with direction finding equipment and apparatus for detecting shoals of fish, together with regular telephone and other communication facilities.

Most of the commercial fishing vessels themselves will be much smaller. They will venture as much as a hundred miles from shore.

One of the best-equipped tuna fishing boats now on the west coast is about 70 ft. long and is equipped with refrigeration facilities. It can cruise 500 to 1,000 miles.

Tuna fishing in B. C. is being encouraged mainly because it will provide a supplementary occupation for halibut fishermen whose source of livelihood will be cut off this year by international regulations in the interests of conservation.

Halibut fishermen will only be able to operate for a few weeks in 1947. Because the other alternative — salmon and herring fishing — is already over-crowded, the Government is attempting to develop deep-sea fishing.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COLLINGWOOD TERMINALS 1947 net profit was up 31.5%. Gross income was $193,026 ($180,333). Total expenditures were $81,600 ($84,015). During the year the company received 9,665,602 bushels of all grains. This exceeded the average for the previous 10 years of 8,539,250 bushels by 1,126,352. Total shipments were 8,607,592 bushels, with 1,529,548 in store as of Dec. 31, 1947.

During the year the company handled 16,150 tons of rock salt for ice control. This is an entirely new line of business. This experiment opens up new possibilities for the handling of other bulk commodities where the movement consists of a transfer from vessels to cars.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net oper. profit	$111,426	$96,318
Less: Int. chgs., net	7,847	10,459
Depreciation	31,160	31,709
Income tax res.	30,049	21,932
Net profit	42,370	32,218
Less: Dividends	9,586	9,586
Surplus for year	32,784	22,632
Earnings per Share and Dividend Record:		
Pref. & common	$1.10	$0.84
Paid	0.25	0.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$10,536	$10,408
Accts. rec.	40,282	15,425
Investments†	60,000	60,000
Total curr. assets	110,818	85,833
Prep. exp.‡	10,556	9,724
Misc. assets▲	26,792	58,524
Fixed assets*	426,345	457,505
Total assets	574,511	611,586
Bank loan	......	25,000
Accts., tax., etc., pay.	38,776	26,498
Bonds due	25,000	25,000
Total curr. liab.	63,776	76,498
Mortgage bonds	200,000	225,000
Capital stock	291,900	291,900
Surplus▲	18,835	18,188
*After depr. of	588,292	557,131
†Approx. mkt. val.	62,625	62,700
▲Incl. ref. EPT	26,792	26,792
‡Incl. in curr. assets in co's. report.		
Working capital	47,042	9,335

LABRADOR MINING & EXPLORATION CO. announces the outlining of 41,126,000 long tons of commercial iron ore in three ore bodies to the end of 1947. An additional 98 million tons of ore, outlined on the adjoining concession of Hollinger North Shore Exploration Co., makes a total of 139 million tons outlined by the two companies in joint operations.

Of the 41 million tons on the Labrador section, 13,964,000 tons comprises bessemer ore with a 62.7% iron content, 20,996,000 tons is nonbessemer iron ore averaging 59.5% iron while 6,166,000 tons is manganiferous ore averaging 50.4% iron and 8.14% manganese. Bulk of the ore (20,520,000 tons) is contained in the Ruth Lake No. 3 deposit with balance in Ruth Lake No. 5 and Felming No. 1 ore bodies.

Drilling of the Wishart Lake and Ruth Lake areas is expected in 1948 but the Sawyer Lake deposit will probably not be reached in the coming year, it is stated. Three additional caterpillar-mounted churn drills have been purchased and a considerable increase in drill footage is anticipated in 1948.

The Labrador M. & E. Co. share of 1947 expenses totalled $242,751 or 28.2%. The company also bore its share of capital costs. During the year Hollinger Consolidated took down 400,000 Labrador shares at $1 a share under its option. Arrangements have been made to borrow any further funds that may be needed from Hollinger North Shore Exploration Co. as insufficient shares remain unissued and it is not desired to increase share capital when final amounts required have not been ascertained.

Loans up to $250,000 may be needed for this year's work, it is stated.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$5,746	$1,248
Accts. rec.	145,751	29,977
Supplies & equip.	110,442	140,668
Total curr. assets	261,939	171,893
Prep. exp.	1,234	6,383
Subsid. shs.	35,004	35,004
Fixed assets	4,181	13,347
Mining rights	1,649,990	1,649,990
Expl. & oth. exp.	996,867	766,666
Total assets	2,949,215	2,643,283
Accts., etc., pay.	54,721	58,797
Nfld. Skyways Ltd.	42,815	42,948
Hollinger Cons.	2,024	91,883
Total curr. liabs.	99,560	193,628
Capital stock	2,849,655	2,449,655

In British Columbia People spend more!

THE VANCOUVER DAILY PROVINCE
50th YEAR—No. 271
EXCLUSIVE
VANCOUVER, B.C., FRIDAY
$560,000,000.00
9.33% OF CANADA'S TOTAL

CANADA'S THIRD PROVINCE
BRITISH COLUMBIA

50
1898
1948

By a phenomenal growth in industry and population, British Columbia has raced ahead to become Canada's third province, with 8.29 percent of her population. In 1947 this 8.29 percent accounted for *$560,000,000 in retail sales, or 9.33 percent of Canada's total. THIS MEANS THAT BRITISH COLUMBIANS SPEND MORE MONEY — BUY MORE GOODS THAN THE AVERAGE CANADIAN!

In this $560,000,000 market, The Vancouver Daily Province is a powerful and respected voice. In 1947 advertising volume reached an all time record of 15,519,416 lines. Of this, 5,713,000 lines were for retail advertising. The Province is more than just a newspaper. Now celebrating its 50th year of public service it is a part of British Columbia.

With its traditional policy of reliable, objective reporting, The Vancouver Daily Province has won the confidence of the people of British Columbia. This confidence is your assurance that advertising placed in The Province finds its target in the heart of British Columbia's active market.

**Source:—B.C. Bureau of Economics and Statistics.*

YEARS OF SERVICE

THE VANCOUVER DAILY PROVINCE

$12 Millions in Sales Tax Will Yield B.C. Surplus

The largest budget in British Columbia's history was presented last week by Hon. Herbert Anscomb, Finance Minister. It was his second budget, the first under the new leadership of Premier Byron Johnson.

A 3% tax on retail sales, expected to produce some $12 millions net, is proposed. One third of this revenue is to be apportioned among the municipalities by way of special aids, and the balance to carry substantial portion of the province's social service and old age pension costs. In addition, there will be an increase in timber royalties which will bring in an estimated $900,000.

Total revenues for the fiscal year ending March 31, 1949, are estimated at $77,616,310 and total expenditures, chargeable to current revenue, at $77,449,869, leaving an estimated surplus of $166,441.

For the current year, maximum revenue anticipated is some $66 millions; expenditures $65,674,000; surplus $320,000. Both anticipated revenue and anticipated expenditure are around $7 millions higher than the estimates presented last year. If the sum of $1,150,000 (representing the additional cost of old age pension bonuses which, for the time being, is being made a charge against the Revenue Surplus Appropriation Account), were charged to current account, expenditures properly chargeable to income would amount to nearly $66,825,000, Mr. Anscomb states.

Revenues Up 17.6%

The 1948-49 estimate of revenue is $11.6 millions or 17.6% higher than the revised estimate of revenue for the current fiscal year; that for expenditure some $11.8 millions or 17.9% higher.

Net debt is estimated at $122,406,187 at Dec. 31, 1947—equivalent to about $116.58 per capita on the basis of the estimated population of 1,050,000 at the end of 1947.

Gross public debt of $165,702,659 is made up of $133,233,631 registered stock and debentures and of $32,469,028 treasury bills. It included $106,197,859 of securities payable in Canada only; $7,275,000 of registered stock which is payable in sterling only; $48,229,800 in securities carrying Canada and United States payment clauses; and $4,000,000 bonds payable in Canada, New York and London.

Since Dec. 31, 1946, gross debt shows an increase of $7,536,460, net debt a decrease of $10,242,377. Transactions for the year include the refinancing of that portion of the debt which the province owed to the Dominion. This refinancing involved cancellation of treasury bills amounting to $34,031,219 and their replacement by $17,346,838 2⅝% serial treasury notes and $8,342,191 serial treasury bills carrying no interest, and cancellation of $8,342,191 representing the amount of the debt to the Dominion for direct relief, which the government wrote off.

Since Dec. 31, 1947, British Columbia has retired a $2 million maturity of 5% bonds due Jan. 15, 1948. On July 25, 1948, $1 million 5% debentures and on July 25, 1949, $2 million 5½ debentures become due. "It is also hoped to repay these maturities from moneys on deposit in the sinking funds," Mr. Anscomb states.

Credit Position Good

The improved financial position combined with the lower interest rates has been reflected in a great improvement in the province's credit. On Dec. 15, 1947, British Columbia sold $5 million five-year 2½% debentures at a cost of 2.565%, a record for the province according to Mr. Anscomb. On June 15, British Columbia sold $4 million 21-year 2¾% debentures at a cost of 2.772%.

"It is extremely doubtful whether similar rates or even nearly similar rates to those I have just quoted can be anticipated in the immediate future or, perhaps for a long time to come," Mr. Anscomb states. He points out that the action of the Bank of Canada has affected provincial bond prices adversely.

Full carrying charges now require less than 15% of total revenue, instead of the 30% and more payable but a few years ago, Mr. Anscomb points out. Refinancing of some maturities and the sale of new issues at lower interest rates has permitted very substantial reduction in the interest charges paid. Average rate of interest was 3.44% at Dec. 31, 1947.

An indication that the province's debt may rise substantially is seen in the warning of Mr. Anscomb that: "It is common knowledge that we shall, in the not distant future, be faced with tremendous capital expenditures—expenditures of a nature that cannot, in the ordinary course of things, be paid for out of revenue . . . if we borrow $40 millions or $50 millions in the next few years, without a corresponding liquidation of existing debt, we shall have to provide, out of revenue, $2.4 millions a year for $40 millions or $3 millions for $50 millions to service and provide for the liquidation of that new debt, unless it is revenue producing . . . We should be very careful to see that we only borrow for projects that are for direct development of our economy and on those occasions only where it is possible that we can get some revenue return as a result of that borrowing.

$9.9 Millions for Roads

Expenditures for capital account in 1948-49 are estimated at $28 millions of which $5 millions will be derived from revenue surplus and $23.6 millions from capital borrowings. This is made up of $9.9 millions for roads, highways and bridges; $2.75 millions on steel and concrete bridges; $1 million for heavy road construction and maintenance machinery; $1.75 millions cost of additional buildings for the University of British Columbia; $1.3 millions for provincial buildings; $800,000 for the P. G. E. Railway; $2.5 millions for Lands and Forests proposals concerning forest management, which includes the construction of forest roads, and $11 millions for the British Columbia Power Commission.

Mr. Anscomb points out that "the estimate of our revenue reflects the most we dare hope to receive as current income. On the other side of the ledger, however, we have costs based upon present prices. If the spiral of inflation keeps rising, it will be next to impossible to keep expenditures within the estimated appropriations."

In discussing estimated revenue for 1948-49 of $77,449,868, Mr. Anscomb points out the increase in timber royalties is expected to bring in an additional $900,000 and all other revenue sources will yield $64.7 millions or nearly $6 millions more than their original estimated returns for the current year. No revised estimated revenues for the current year are given. Major increase on the basis of the two sets of estimates include liquor profits up $1,9 millions, motor vehicle revenue $1.4 millions, Dominion tax agreement $1,350,000; gasoline tax $675,000; timber royalties $1.1 millions (of which $900,000 will result from the increase in the rate of royalty).

Expenditures Up

Estimated expenditures of $77,449,869 include increases in practically every department. The increases include:

1. Payment of $4 millions or a third of the proposed sales tax to the municipalities.

2. Expenditure of some $1,744,000 more by Department of Education. Most of this increase is attributed, firstly, to $1,100,000 as special aid to rural school districts, "in order to lessen the tax burden on real property where that is most severe, and secondly, to the increase in basic grants owing to the expansion in school attendance, etc.

3. A net increase of $1,461,226 for health and welfare.

4. An increase of $1,288,532 for Department of Lands and Forests to cover "a greater field of activity and provisions to implement further the recommendations contained in the Sloan report."

5. An increase of $1,100,000 for Public Works Department which is essential to carry out the same volume of work which was authorized for the current year and which is considered a minimum requirement, it is stated.

The Government proposes to earmark $4 millions from revenue surplus account to help finance construction of schools, of which it will pay 50% of the cost. Basis of distribution, according to Mr. Anscomb, will be "the actual school population for 1947 as certified by the Department of Education—which is authentic—and add to that the estimated total population of the municipalities as originally computed according to the number of ration books and since substantiated by the estimates of the municipalities themselves. As to the villages, because of the aid recently referred to, I shall apply the population basis only. The percentage of these totals of the grand total would determine the portion payable . . . When the 1951 census has taken place we shall review the situation. (Villages automatically benefit from the special aid to rural school districts, he explained.)

Discussing the retail sales tax Mr. Anscomb states that it is "the only source of revenue capable of yielding sufficient funds, which is still open to us by constitutional right and by the terms of the existing agreement with the Dominion . . . The prime reason for the imposition of a sales tax is the increasing burden of social service costs . . . It is the Government's intention to devote the two thirds of the net revenue to purposes of a nature such as social services, health and welfare and old age pensions and to distribute one third to municipalities."

B. C. Will Send Buyers' Group To U. K. in April

VICTORIA (Staff)—British Columbia's dependence upon world trade for her economic prosperity is emphasized in the announcement that a group of B. C. buyers will visit the United Kingdom in April.

Headed by Trade and Industry Minister Leslie Eyres, the group will explore the possibilities of the British market with a view to increasing B. C. purchases, thus improving two-way trade.

The 20-man group will leave April 15, returning June 2. Individual members will pay their own expenses.

They will visit the British Industries Fair in London and another at Birmingham and also visit principal industrial centres in the Midlands, North England and Scotland.

Pen Gives Way to Machines In Teller's Cage of Banks

A machine has ousted pen and ink from the teller's cage in the City Hall Branch of the Canadian Bank of Commerce, Toronto, and has cut lineups at the windows.

The customer now makes out his deposit slip in the usual way, and the slip and a blank receipt are inserted in the machine, which occupies very little more space than a portable typewriter. The teller sets up the amount of the deposit on the keyboard of the machine, which then prints a numbered receipt for current account deposits, and records the same information in duplicate on a journal tape. It carries also a cumulative total of all cash taken in and paid out, and the figures required by the teller for balancing purposes at closing time are obtained by simply pressing two keys. The time saving thus effected averages about an hour and a half a day.

A check of the cash on hand, and comparison with the total shown by the machine are then all that is necessary before the teller sends the record of the day's transactions forward for proving.

Passbook Eliminated

This new machine, first of its type in Canada, produced by Burroughs, radically changes the entire routine of current account operation, for the customer no longer requires a passbook. Instead, he is supplied with a small wallet in which to hold the printed receipts which he gets from the teller on making each deposit. These can be disposed of at the end of each month when the customer receives his usual monthly statement of account.

"The automatic ledger-keepers are on trial for a period of three months at our City Hall Branch," a Canadian Bank of Commerce official said. "If we find them satisfactory, we mean to extend our use of them to other branches, but as there is a time-lag of about 18 months in deliveries at present, a general development along these lines must be a matter for future consideration."

Work in all departments of the Canadian Bank of Commerce is nowadays very largely mechanized.

One machine in use at the bank head office actually consists of 24 co-ordinated calculating machines; proof machines sort and list cheques; ledger-posting machines keep an up-to-date record of every customer's account; a compact mechanism, electrically operated, cancels 20 cheques at a time by perforating them with the word "Paid" and the date; a high-speed camera takes miniature pictures of cheques on 8 mm. film, obviating the necessity for manual copying of details from cheques being sent out of town.

Many of the earlier models of "mechanical bankers" are now outdated by machines which work at much higher speed or combine several operations.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BORDEN CO. 1947 net profit was up narrowly from 1946. Sales amounted to $602,959,406 — up 11% from 1946. With removal of wartime rationing and price controls, Canadian business returned to more normal channels. Over-all demand for products remained good, with ice cream sales showing a striking increase. Milk supplies remained short of requirements and efforts to build them up continued.

Ground was purchased for a new manufactured milk plant at Kemptville, Ont. Construction of a new ice cream plant at Quebec City will be started this year. Expanding ice cream operations, the company established a new distributing branch at Sudbury, Ont., which will be supplied from the Toronto plant.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947 $	1946 $
Gross income	604,465,858	544,469,925
Less: Op. exp., etc.	564,720,934	504,047,044
Net earnings	39,744,924	40,422,881
Less: Inc. taxec....	12,248,436	14,050,422
Depreciation	7,703,212	6,791,453
Net profit	19,793,276	19,581,006
Less: Dividends	10,807,100	9,508,900
Surplus for year ..	8,986,176	10,072,106
Earnings per Share and Dividend Record:		
Com.: Earned	$4.61	$4.64
Paid	2.55	2.25

CONDENSED CONS. BALANNCE SHEET

As at Dec. 31:	1947	1946
Cash	$42,061,327	$29,004,830
Investments	5,425,810	5,984,098
Accts. rec.	25,657,428	26,678,474
Inventories	48,922,300	57,641,793
Total curr. assets .	122,066,865	119,309,195
Wk. Comp., etc. ...	793,941	1,887,311
Misc. assets	9,675,362	9,668,377
Properties*	89,282,028	75,322,557
Total assets	221,818,196	206,187,440
Total curr. liabs. .	32,592,333	34,750,708
Def. liabs.	33,629,002	25,028,230
Reserves	25,470,311	26,408,415
Capital stock‡	62,276,930	59,640,107
Capital surplus	14,244,522	13,981,996
Earned surplus	53,605,098	46,377,964
*After depr. of ...	73,367,153	69,621,314
‡After treas. stock	3,992,440	6,629,263
Working capital ...	89,474,532	84,558,487

THE *Pacific Great Eastern* RAILWAY

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GENERAL PASSENGER DEPARTMENT

736 Granville St., Vancouver, B.C. Phone Marine 3338

SHEEP CREEK GOLD MINES LIMITED

(Non-Personal Liability)
Incorporated under the Laws of the Province of British Columbia
AUTHORIZED CAPITAL: 2,000,000 Shares of a Par Value of 50 cents each.
ISSUED CAPITAL: 1,875,000 Shares

OFFICERS and DIRECTORS:

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R. R. Pyper .... Vice-President
A. H. Douglas .... Director
F. N. Marr .... Director
M. P. Flannery .... Director
H. E. Doelle .... Managing-Director
S. J. Crocker .... Director
James Anderson & Co. Ltd. .... Secretary-Treasurer

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Vancouver, B.C.

Transfer Agents and Registrar:
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Vancouver, Toronto and Montreal

Solicitors:
Douglas, Symes & Brissenden
Vancouver, B.C.

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Operating a gold property at Sheep Creek, B.C., and a zinc-lead property at Zincton, B.C.; Zincton Mines Limited (wholly owned subsidiary).

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Representing British and Canadian Companies.

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★

60 Years

KEEPING PACE with the progress of British Columbia, the "Yorkshire" this year celebrates its *Sixtieth Anniversary.* Since 1888, our facilities have grown and expanded until today they include highly specialized departments dealing in trust management, investment securities, mortgages, real estate, installment savings, insurance and Income Tax. We look forward to the future with confidence and vision and to the privilege of serving the people of this Province by a continuation of conservative policy and efficient management.

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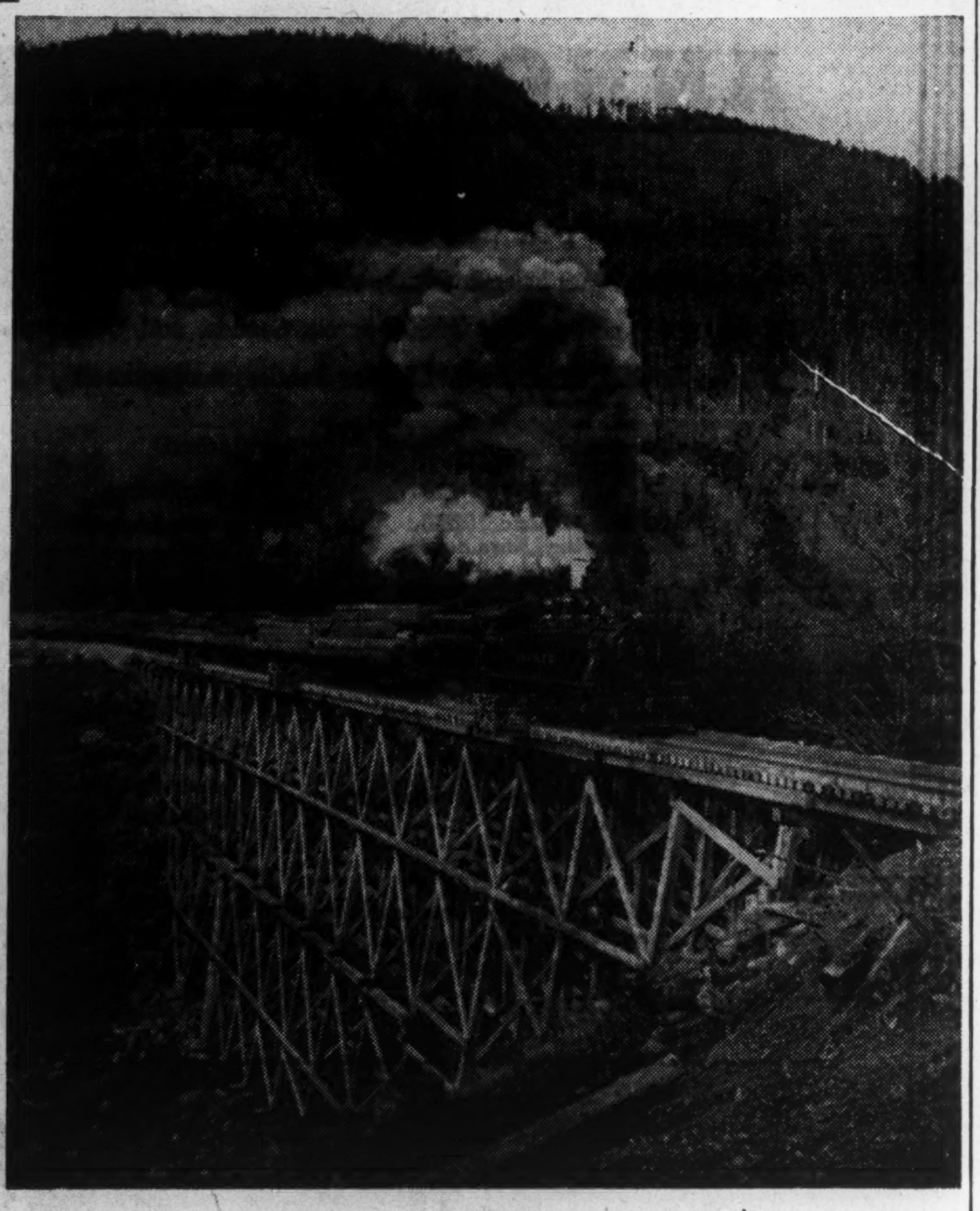
VANCOUVER, CANADA
SALES AGENTS: H. R. MACMILLAN EXPORT CO., LTD., VANCOUVER, CANADA

Roads Top List of B.C. Tourist Needs

Wild Interior Offers Many Attractions



Rugged B. C. terrain offers a severe test of man's ingenuity in forestry operations, third last year in the primary industries' wealth of the province.

British Columbia is after a bigger slice of the tourist dollar.

In 1945, holidaying Americans spent about $22 million having a good time in Canada's most Western province.

In 1946, they left roughly $34 millions behind—about 17% of total American tourist expenditures in all Canada.

Last year, B. C. cash registers rang a still merrier tune; an estimated $40 millions.

This year is expected to be even better in spite of travel restrictions, dollar difficulties and the effect and unfortunate "austerity" rumors on prospective U. S. visitors.

The expectation is based on something more than hope. Already January and February volume of Americans is greater than at any time on record.

Furthermore, more and more Easterners are visiting B. C. for an "escapist" holiday from the rugged Ontario and Quebec winters. This is an important phase of B. C.'s growing tourist industry.

British Columbia feels it is only now beng "discovered" by Eastern businessmen, both from the standpoint of business and pleasure. A lot of them found out what B.C. had to offer during the war. Now they're combining business with pleasure and staying for as long as five weeks at a time and bringing their families along.

Third Revenue Producer

Even without what the domestic tourist spent—and it is believed to have been plenty—the lure of B. C.'s vacation paradise attracted so many Americans that the tourist industry was No. 3 on the province's revenue-producing list in 1947. Heading the list was agricultural exports, followed by forest products.

Preliminary statistics show 205,000 American cars entered B.C. in 1947 (178,595 in 1946). In additional uncounted thousands came in by rail, bus and ship.

In time, tourist people expect to look back on this already substantial segment of B. C.'s economy as a drop in the bucket. B. C. is still almost virgin territory, industrially and from the standpoint of holidaying.

Eventually, when roads and other facilities are available, a tremendous expansion is looked for. At present there are about 22,000 miles of roads serviced by the provincial government.

Yet B. C. has a total area of 366,255 square miles; bigger than California, Oregon and Washington combined or large enough to hold the British Isles with Belgium and Holland tossed in for good measure.

At present this inadequate communication system is holding the province back economically. B. C. realizes this and is doing something about it. Since the war, $30 millions have been allocated for road construction alone. The government still seems determined to go ahead with the P.G.E. railway extension.

This will open up the fabulously wealthy interior and as it does, new attractions will become available for tourists.

Many Attractions

Even now, B. C. offers the visitors almost everything; from the blue, sheltered waters of the Pacific through the high plains and verdant valleys to the interior of the alpine splendor of the Rockies.

There is fishing every month of the year; golf too. You can shoot anything from grouse to grizzlies. There is mountain climbing, skiing, swimming and boating. There are luxury lodges, hotels and some of the finest auto courts and American-type "motels" on the continent.

There's everything too, in the way of climate: the almost snowless Vancouver Island and the mainland to 60 below and 14 feet of snow in the interior. In January this year, Vancouverites were sunnning themselves in famous Stanley Park. The thermometer said 70.

Potentially, the province can meet the demands of the most exacting tourist. For those who want to sample B. C.'s present vacation attractions, here's a summary by regions:

Vancouver Island: 282 miles long, 50 miles wide and main source of B. C.'s No. 1 industry—lumber. Has good highway along east coast for 200 miles. Fishing excellent; salmon can be caught 10 miles outside Victoria; also deer, black bear, grouse. Temperate climate without extremes of heat or cold. Victoria, capital city of province, is five hours from Vancouver by boat; 30 minutes by air.

Vancouver: Boasts one of the finest, most beautiful natural harbors in world, rimmed by coastal range of hills; famed Stanley Park, miles of beaches within city limits. City itself has a definite American atmosphere, due no doubt to a natural geographical kinship with the States of Washington and California.

Cariboo: This is the romantic country of the gold rush days. Easily accessible by road, it offers movie-like Wild West scenery featuring a "Grand Canyon, sage brush, desert, the biggest cattle ranches in the world, sand cliffs, Tyrollia-like villages perched high in the mountains.

Central Interior: Known to the sportsman but comparatively new to tourists, this area between Prince George in Central B. C. and Prince Rupert on the Pacific coast is referred to as the "empire of the future; the last untapped industrial frontier on the continent.

Peace River: This area of arable plains, forests and untold mineral wealth will soon be easily available via the New Hart Highway. Named after former Premier Hart, it will cost $6 million and connect existing provincial highway system with the Alaska Rd. through the Peace River block.

Kamloops: Studded with lakes; an angler's paradise. Available both by Trans Canada Highway, railway and provincial extensions to U. S. highways. Excellent modern accommodation.

Okanagan Valley: Principal vacation centres, Vernon, Kelowan and Penticton but good accommodation available at many lakeside villages and settlements in this, rich fruit-growing country.

Kootenays: In South eastern B. C. where timbered mountains rise sharply from the edge of deep blue lakes to snow-capped heights. Alternate entry to many good roads is via steamer on Arrow Lake. For the most part, this is virgin territory.

Revelstoke and The Rockies: Revelstoke is the western gate of Big Bend Highway linking south Central B. C. and lower mainland with the great Rocky Mountain Resort area, and national parks.

That Chocolate Bar Shortage Of 1946 Wasn't Just a Dream

Remember that chocolate bar "shortage" of 1946? Well, it was no dream.

Figures just issued by Dominion Bureau of Statistics on the biscuit and candy industry in Canada show that the production of chocolate bars was down 11.1% from 1945, to 44 million dozen bars, while production of chocolate confectionery in bulk dropped from 15.8 million lbs. to 11 millions.

Where did it go? Most of it went into packaged chocolates, which showed an increase from 12.3 million lbs. to 16.6 million lbs.

Other products were: Sugar confectionery in bulk, 34,955,193 lbs. (36,991,820); biscuits, plain and fancy 46,927 tons (46,003); soda, 26,735 (26,621).

There were 237 establishments giving employment to 13,043 plant workers. Salaries amounted to $16,651,490. They used $43,982,673 worth of materials to produce goods valued at $86,714,459, an increase of 2.4% over the 1945 selling value.

Comparison with previous years is difficult owing to periodic revisions in the methods by which the Bureau gathers its data. For instance, the 1945 figures for employees appear as 13,592, against 13,043 for 1946, as it was found that some firms were reporting sales and warehouse employees located throughout the country instead of only those directly employed at the plant, and it must also be remembered that the statistics cover only those establishments having biscuits, confectionery, cocoa and chocolate as their principal products and are not the total for Canada.

Canada's exports of candies in 1945, totalled 16,975,925 lbs., worth $4,991,571. Britain received 6,894,409 lbs. value $2,286,132, and at the other extreme, Greenland received 43 lbs., value $30. Next best customer to Britain was Italy which received 2,593,134 lbs. value $705,527, while Germany took 83,055 lbs. worth $16,105.

In 1946, Britain's import volume dropped to 11,464 lbs. value $5,740, and Italy's to 8,100 lbs. value $1,630. (Figures for Greenland and Germany not available.)

Chewing gum exports to Britain produced by the firms under review also showed a steep drop from $342,414 in 1945 to $10,137.

GUAYANA MINES has allotted 199,400 shares at 50 cents a share to various subscribers in the United States. An additional 37,989 shares have been taken up at 50 cents a share under offering of rights to U. S. shareholders of record Oct. 15, 1947. Issued capital is 3,683,802 shares.

"TOP O' THE MORNING TO YEZ!"

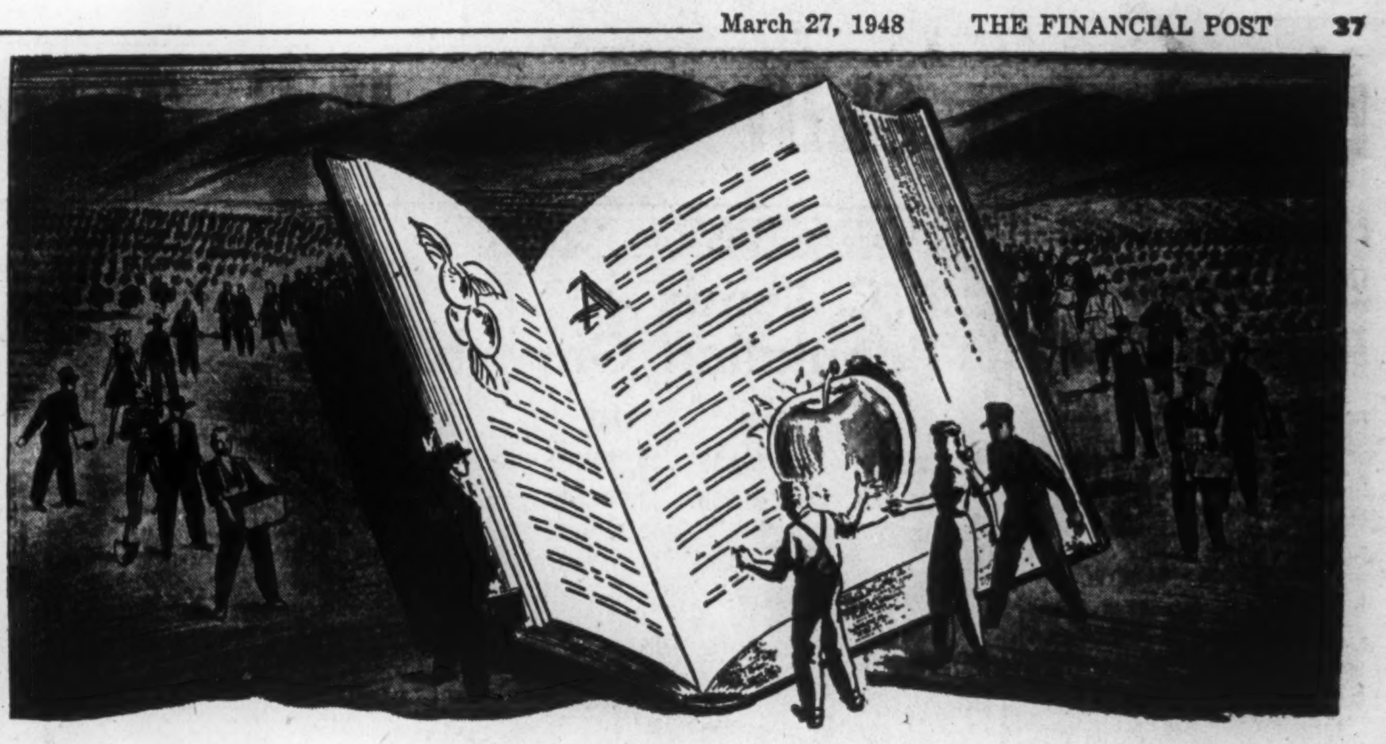
Here are four little items worth noting in any "B. C. Report" to firms who advertise to sell goods in B. C.

1. B. C. people read daily papers more than any other province.
2. The 3 Vancouver papers make up 80% of that supply.
3. B. C. has roughly *one-third* of Canada's purely *morning* papers.
4. Morning papers on the Pacific Coast equal evening circulation in Cities where there are both.

In such a setting of *newspapers*, and of *morning newspapers*, you can see why advertisers are making sure they use the fast developing 15-year-old Vancouver News-Herald!

Rex Werts
ADVERTISING DIRECTOR

Vancouver News-Herald
—"ASK W. H. AUSTIN"—



EACH year a new "chapter" is added to the story of co-operative marketing of Fruit by the Fruit Growers of British Columbia.

For nine years now, under the Natural Products Marketing (B.C.) Act, members of the B.C. Fruit Growers Association have grown, packed and merchandised their own fruits, handling their sales through the Selling Agency, B.C. TREE FRUITS LIMITED, Kelowna, B.C.

Each "chapter" representing a year's operations, shows an increase in the number of grower-members, expansion in the areas of fruit lands, improvement in packing and shipping methods, and enlargement of markets, both domestic and export, for the products of the Fruitlands of Canada's West-Coast Province.

As the "volume" grows, it tells of yearly shipments totalling from 10,000 to 17,000 carloads of various types of fruit; a business assessed at more than 25 millions of dollars annually.

It relates the story of how an unorganized marketing effort has been transformed into an organized business . . . how haphazard returns to growers have been converted to remuneration more equably in line with the labor expended in nurturing their orchards.

It sets forth a saga of modern merchandising, wherein co-ordination of sales and sales-promotion, advertising and public information, have made the people of Canada, from the Atlantic Seaboard to the Pacific Coast conscious of . . . and familiar with . . . the superior quality of fruit grown under the most favorable conditions . . . wrapped and packed by modern methods . . . merchandised in a manner which permits the consuming public to obtain full flavor and maximum value with each box of fruit.

This "volume" is not available in published form . . . its annual "chapters" are still being written. The 4400 Fruit Growers of B.C., growing all the fruit produced within an area of 40,000 square miles . . . who are the "authors" do not yet consider they have achieved perfection in their plan . . . but already the formula has served as text for similar plans in various parts of the world, and has offered food for study by many marketing experts.

As, each year, a new "chapter" is added, the Canadian Public is learning that here, in this co-operative effort, they have a model organization which is designed to provide the consumer with the best products of our land at a fair price . . . which price at the same time provides the grower with a fair return for his labors.

B. C. TREE FRUITS LIMITED • KELOWNA, B. C.
Sole Agents for
BC-9
BRITISH COLUMBIA FRUIT GROWERS ASSOCIATION

FOREIGN TRADE ENQUIRIES

Herewith are definite trade proposals and enquiries for Canadian goods from business firms in foreign countries.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the magazine of Canadian trade abroad.

Write The Foreign Trade Bureau, The Financial Post, 481 University Ave., Toronto 2, for information about any bulletin below and please give the code number preceding the item. Publication does not imply endorsation of credit.

As an additional free service similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 70 foreign countries. Please send your announcements to the same address.

INDIA — Firm of importers, exporters and manufacturers' representatives with offices and agencies throughout India interested in importing: small arms and ammunitions; textiles, weaving and knitting yarns, cut pieces of every description; metals—zinc, copper, lead and brass; bottles and containers for all industries; saccharine powder, soda-caustic, aniline dyes and alizarines; domestic sewing machines and needles; cream separators; pre-fabricated houses; machinery for: textiles, food canning, biscuits, chocolates, confectionery, agriculture, motion pictures, soap, oils, cycles, glass and crockery, sugar, ice, cement, dairies, bakeries; pharmaceutical products; radios, fountain pens, cigarette lighters and refrigerators in parts, to be assembled in India; cosmetics in bulk packing, to be refilled and labelled in India; padlocks; fancy papers; fertilizers and insecticides; clinical thermometers; tiles; glasses; mirrors; readymade clothing; army supply stores of all sorts; imitation jewelry and buttons; safety razors and blades; blankets, rugs and carpets. Quotations to be in English currency, CIF Indian ports; correspondence to be in English. References offered.

ECUADOR — Service station interested in the import of batteries and battery parts, including battery terminal cables.

GERMANY — Firm would like to re-establish business relations with manufacturers of metal and woodworking machinery, machine tools, factory supplies and equipment, office machines and equipment. References offered.

INDIA—Import and export representatives interested in importing heavy machinery, electrical appliances, pharmaceuticals and drugs. Also wish to export gunny sacks, tea, leather goods and textiles.

INDIA—Building materials manufacturers and dealers interested in the purchase of brick-making machinery including continuous brick ovens, electric or coal-fired, capacity, 6,000 bricks per hour.

Contract drilling
THROUGHOUT THE WORLD...

. . . In Honduras, Peru and Siam . . . from the Arctic Circle to Tasmania's tip . . . hundreds of areas throughout a score of countries, our expert drilling teams have gone to work.

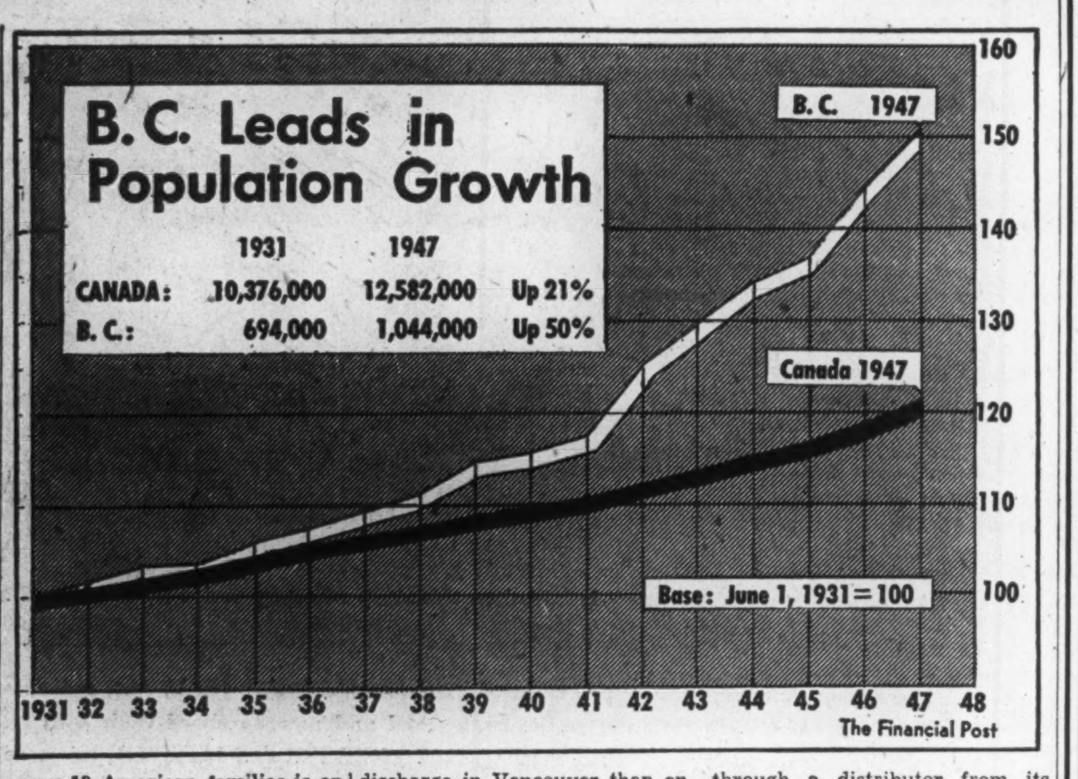
Boyles' drillers diverted a river in Northern Ontario; helped extend England's wartime coal reserves; probed for vital tin deposits in Nigeria. In war and peace, we are constantly being called to undertake special drilling problems in addition to normal contract work. Experience thus gained has enabled us to develop new techniques plus a wide range of surface and underground equipment designed to meet many different conditions.

With an enviable record of successful operation at moderate cost, we are well equipped to render continuing service to the Canadian Mining Industry. If your plans call for diamond drilling, we can help you. Simply contact our Head Office at Vancouver or one of our branches at Yellowknife, Edmonton, Port Arthur or Kirkland Lake.

BOYLES BROS. DRILLING CO. LTD.
DIAMOND DRILLING CONTRACTORS AND MANUFACTURERS

Population Shift Booms B. C. Total

Province Gets 26% Boost In Eight Years



In Canada, as well as in the United States, people as well as business are moving west.

British Columbia is the main beneficiary of this westward migration in this country.

Since 1939, B. C. population has jumped 26.6%. Today families are moving in at the rate of 1,200 a month.

In the U. S. the story is the same: the State of Washington has added 30% in the last seven or eight years: Oregon 26%; Nevada, 50%; California 39%.

Up and down the Pacific Coast this trek from the East is working an industrial and economic revolution.

Almost overnight, the West has been transformed (or is in the process) from a hewer of wood and a drawer of water into a manufacturing region.

This has been one of the most significant economic developments of the war and postwar periods with far-reaching implications for both East and West.

Right smack in the heart of this coming industrial empire, with everything to gain and hardly anything to lose, stands British Columbia.

B. C.'s Growth

No other section of Canada can boast such a remarkable population growth. In the past 25 years, it has almost doubled: in 1920, 507,000; in 1947, 1,044,000 (est.).

Industrially, the story is the same: In 1920, 1,305 manufacturing firms employing 34,298; in 1947, 2,200 firms employing almost 100,000.

Total trade through British Columbia ports jumped from less than $240 million in 1940 to over $584.8 millions in 1946 (exports, $389.6 millions; imports $195.2 millions). This was $150 millions more than 1946.

Generally speaking, the Pacific Coast has experienced and still is experiencing a population shift and an accompanying industrial development that has few if any parallels in history.

This migration pattern has been recorded by the U. S. Census Bureau. To all intents and purposes, it holds good in Canada too. The U. S. finding was that one out of every 13 American families is on the move, has a collective itchy foot.

This means six million people in the U. S. are looking for somewhere to land. Broadly speaking, most of the roads lead to the West. In the U. S., the exodus is mainly from the South. In Canada from the East.

Saskatchewan, for example, has lost 50,000 people since 1941. Most of them are today in B. C. Many of these were wartime migrants who worked in B. C. shipyards. Some went back to their farms, but most of them decided to make B. C. their home.

Rural Population Up

This purely wartime rural-to-urban trend was experienced by most industrial areas. But B. C. had something else; an increase in rural as well as urban population. This was mainly due to an influx of small farmers from the Prairies who found they could get better returns and didn't get so cold getting them.

In addition, B. C. was the only region to experience to any large degree the phenomenon of the number of war service discharges exceeding enlistments by a wide margin.

It's been estimated that 10,000 more service people took their discharge in Vancouver than enlisted there. Since then, another 5,000 are believed to have moved in.

An important factor in this movement is that only a small percentage is new immigration—people from the Old World. The biggest part, by far, is interprovincial migration.

All this has important implications for business and industry, east and west. Eastern manufacturers will be compelled to alter marketing practices to meet changing conditions.

Instead of servicing B. C. through a distributor from its eastern plant, some business might find it more profitable to establish a branch plant in the West. Many already have.

The B. C. Electric Co.'s slogan, "Business is moving to B.C.," is beginning to mean something.

In addition, the main urban centres face multiple problems of housing, transportation and recreation. In turn, by providing these additional facilities, they will be adding to the size of the economic snowball that is rapidly building up into boom proportions.

B. C. Firm Plans Pipeline Natural Gas from Peace R.

Construction of a natural gas pipeline from the Peace River district to Vancouver is under consideration by a group of prominent Vancouver industrialists and businessmen.

The proposed 650-mile line, costing some $40 millions, would tap the unknown gas reserves of the Peace River district in the interior of British Columbia. The Peace River Natural Gas Co., recently formed to explore the possibilities of such a pipeline, has already drilled two wells in lands leased by the firm. One produced gas and the other a mixture of gas and water, it is stated.

"We plan to drill north and west of Dawson," President Norman R. Whittall states. "We will need five or more additional wells to establish the geology of the district."

Among those interested in the plan are Frank M. Ross, Vancouver, Col. Victor Spencer, Norman R. Whittall, George A. Martin and Senator J. W. deB Farris, Frank M. McMahon, Alberta Oil operator will direct operations. S. E. Slipper has been engaged as geological advisor. Pacific Petroleums Ltd., an independent Alberta firm, controlled in Vancouver, is substantially interested in the project

Investigations to date in the Peace River district, indicate that gas in quantity may be expected at depths of from 2,500 to 2,600 feet and at an estimated cost of $25,000 a well, it is stated. The company has acquired rights to a large block of acreage in this area.

Backers of the plan report that reserves of 600 billion cu. ft. of gas would warrant a line to the coast. Although definite plans have not been made, it is understood the line would connect Omineca, Prince George and Lillooet.

The fact that three wells have been drilled adjacent to the company's holdings, two immediately adjoining and one on the property, is of great assistance to the experts in estimating probable reserves, it is stated. One of these wells was said to have produced 10 million cu. ft. of gas daily and another is believed capable of similar performance if the sand is penetrated further. The gas is said to have a high BTU content (1020 BTU's per cu. ft.); is dry and odorless, and ready for the market in its natural state.

Another proposed pipeline to the coast from the Alberta natural gas fields is under the planning of the Northwest Natural Gas. Co., incorporated in Delaware. The company plans bringing the gas into Trail, Vancouver, Seattle, Portland and other Northwest cities. Doubt is voiced in some quarters that the Alberta Government will allow export of natural gas.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

McCARTHY MILLING CO. 1947 net profit was up 38%. Volume of business has continued at a high level resulting in a record production of flour and commercial feeds.

Prospects for 1948 are for satisfactory operations. Volume of flour milled will be somewhat less than in 1947 due to a reduction in quantity of Canadian wheat available for shipment to export markets, other than the United Kingdom. Production and sale of commercial feeds continues in satisfactory volume.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$77,649	$72,996
Less: Depreciation	4,127	4,641
Interest	1,252	1,341
Reorg. exp.	......	2,198
Ref. wheat draw-back	11,386	18,605
Taxes	27,000	20,617
Add: Sec. sale prof.	1,444	......
Net profit	35,328	25,594
Less: Cl. A divds.	14,333	7,166
Cl. B divds.	3,909	1,955
Surplus for year	17,086	16,473
Earnings per Share and Dividend Record:		
Class A†	$1.36	$0.98
Paid	0.55	0.27½
Class B†	0.81	0.43
Paid	0.15	0.07½
Cl. A & B‡	0.68	*

†Before (‡after) participation.
*No earnings available for participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bonds	$2,876	$33,178
Accts. rec.	103,178	97,280
Inventories	141,559	88,006
Total curr. assets	247,613	218,464
Misc. assets▴	7,963	8,972
Fixed assets*	18,236	18,917
Total assets	273,812	246,353
Bank liab.	29,072	5,474
Accts., tax., etc., pay.	53,961	67,186
Total curr. liabs.	83,033	72,660
Capital stock	13,030	13,030
Earned surplus▴	177,749	160,663
*After depr. of	32,086	27,959
▴Incl. ref. EPT	1,700	1,700
Working capital	164,580	145,804

BATES & INNES 1947 net profit was up 32%. Operations were maintained at as high level as possible, having regard to the labor situation, which continued difficult, particularly on night work. There was no shortage of orders at any time; considerable business had to be refused. The large stock of raw materials on hand at the beginning of the year served to offset considerably increased labor and materials costs.

Prospects for 1948 at the present time are obscure, owing to the increase in wool processed in New Zealand. Quotations are from 25% to 50% higher than the opening of the auctions last November. Orders on hand are adequate for full-scale production for some months, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$136,174	$171,548
Less: Depr.	12,049	10,926
Invent. res.	•9,923	31,201
Damage cl.	1,000	......
Income taxes	55,600	77,200
Add: Nonrecurr. prof.	......	6,378
Net profit	77,448	58,599
Less: Cl. A divd.	15,250	......
Common divd.	30,000	......
Pref. (old) divd.	......	3,210
Surplus for year	32,198	55,389

•Reduction.

Earnings per Share and Dividend Record:	1947	1946
Class A†	$5.08	$3.84
Paid	1.00	....
Common†	2.07	1.44
Paid	1.00	....
Cl. A & com.‡	1.71	1.30

†Before (‡after) participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$240,011	$28,485
Accts. rec.	91,170	123,474
Inventories	177,656	360,213
Total curr. assets	508,837	512,172
Misc. assets▴	100,067	91,536
Fixed assets*	441,046	428,621
Total assets	1,049,950	1,032,329
Total curr. liab.	92,959	106,996
Capital stock	625,000	625,000
Earned surplus▴	331,091	300,333
*After depr. of	542,444	530,396
▴Incl. ref. EPT	85,247	85,247
Working capital	415,878	405,176

ANNOUNCEMENT!

INCREASING DEMAND for British Columbia-designed-and-manufactured VIVIAN DIESELS has made it desirable to establish a chain of Vivian Engine Works Sales and Service Offices across Canada, and warehouses for parts at Montreal and Mahone Bay, N.S. For details please contact:

★ *Maritimes:*
A. G. MacCulloch,
P.O. Box 180,
Phone: Mahone 102R3,
Mahone Bay, Nova Scotia.

★ *Ontario:*
Corporation House,
Phone: 5-4306,
160 Laurier Ave. West,
Ottawa, Ontario.

A. S. Bayne,
Phone: ELgin 4012,
612 Continental Life Building,
371 Bay Street,
Toronto, Ontario.

★ *Quebec:*
E. W. Madsen,
Phone: LAnc. 8214,
205 Transportation Building,
132 St. James St. West,
Montreal 1, P.Q.

★ *Manitoba and Saskatchewan:*
R. E. Viscount,
Phone: 96-973
320 McIntyre Building,
Winnipeg, Manitoba.

The Vivian Representatives in *your* territory will be glad to give you full information about the complete line of Vivian Diesels — 96 models, marine and stationary, from 20 to 625 horsepower.

TWO VIVIAN SERIES REDESIGNED

The 5½" x 8" and 6¾" x 10" Vivian Marine models have been substantially redesigned to incorporate a new type of reverse gear (with reduction gear when required).

This new S-N Gear allows the driving coupling to be easily removed and the desired ratio of reduction gear installed in its place — at the time of installation or any time thereafter. The gear is built right into the engine, assuring perfect alignment.

Get in touch with your Vivian Representative or Head Office and Factory:

VIVIAN
ENGINE WORKS LTD
1660 STATION ST. Phone PA. 6181 VANCOUVER CANADA

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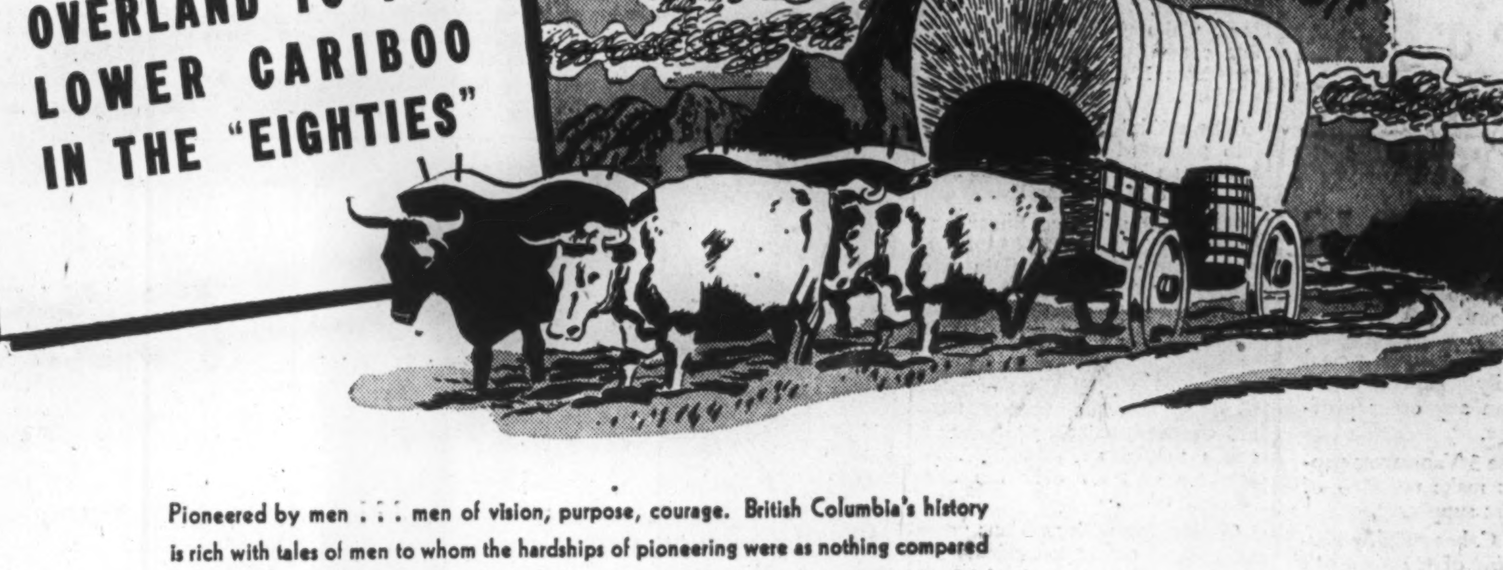
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Changes in Labor Legislation Asked In Briefs to the B. C. Legislature

VICTORIA—Delegations from the Trades and Labor Congress of Canada (A.F.L.) and the British Columbia Federation of Labor (C.C.L.) met the Provincial Cabinet recently to present their demands for labor legislation at the current session of the Legislature.

Major points in each brief were a 40-hour work week, and a provincial minimum wage of 75 cents an hour.

The 12-man C.C.L. delegation strongly condemned the Industrial Conciliation and Arbitration Act as amended last year by Bill 39. It called on B. C. to influence Ottawa toward a fair national labor code. In the meantime, it asked for amendment to the I.C.A. Act to remove "injustices to organized labor."

Other Requests

Other C.C.L. requests were:

Annual vacation with pay of two weeks;

Outlawing of company unions, employees' organizations, and other labor practices declared unfair;

Broader union security and provision for compulsory check-off of union dues;

Deletion of the section providing for lockout and strike penalties;

Clearer definition of functions of the Labor Relations Board;

Removal of the section calling for government supervision of strike ballots;

Increase of compensation payments to 100% of earnings, with a minimum of $20 a week, inclusion of additional occupational diseases, compulsory blanket coverage for all occupations, increased benefits for dependents, including minimum of $80 a month to widows, all under the Workmen's Compensation Act.

The group also recommended eight steps under other headings. These included:

Old-age pensions of $60 a month at 60, without means test;

Immediate implementation of Provincial Health Insurance Act;

Low rental housing projects with or without Ottawa aid;

Trade union movement studies in school curricula;

Inclusion of cosmetic workers under labor legislation;

Protest to Ottawa against employer groups being allowed to bring displaced persons to Canada;

Removal of racial discrimination in employment;

Compulsory automobile insurance.

A sales tax, which has been proposed for B. C. in this budget, was strongly opposed.

Labor Lobby?

Included among the delegation were Harvey Murphy, acting president of the federation; Alex McKenzie, vice-president; Harold Pritchett, secretary-treasurer, and Pen Baskin, legislation committee chairman.

These men were principal figures at a mass meeting after the Cabinet session, when Murphy and Pritchett charged that they did not believe the Government had any intention of implementing legislation asked by the federation.

They promised a labor lobby if this proved true in which they would move "the whole province of British Columbia to Victoria and if that doesn't work we have the picket lines and ballot boxes."

The A.F.L. group voiced the strongest opposition to compulsory arbitration or any attempt to interfere with the right to strike.

The nine-man delegation joined the C.C.L. in its vacation demands, low-rent housing, compulsory automobile insurance, health insurance, and old-age pensions.

Although the A.F.L. has not taken the same defiant stand against Bill 39 and its effect on the I.C.A. Act., the delegation stressed:

"The passing of this Act a year ago did not contribute to industrial peace, but rather caused unrest . . . We cannot stress too strongly the necessity for amendments . . . at the next session of the Legislature."

No court in B. C. should have jurisdiction to issue any restraining order or temporary injunction in a labor dispute, except where trade union officials are committing unlawful acts under direct instructions from the union, the delegation stated in requesting amendment to the Trade Union Act.

The A.F.L. group continued its fight toward outlawing of employees' organizations and company unions, stronger definition of unfair practices, penalties against employers for failure to sign with unions after collective agreements have been negotiated, and for bargaining certification only for chartered international, national or provincial organizations.

The delegation asked deletion of a section preventing industry-wide bargaining and granting veto power to any firm to prevent negotiation of a master agreement.

Heading the delegation was Ald. R. K. Gervin of Vancouver, chairman of the B. C. executive of the Trades and Labor Congress. Others were A. Gordon, vice-president; Percy Rayment, Victoria and District T.L.C. president; Birt Showler, Vancouver-New Westminster Council president, and W. D. Wilson, A.F.L. organizer.

R. V. MACAULAY

executive vice-president of Bell Telephone Co. of Canada, has been elected a director of Northern Electric Co.

Canada Replies To U.S. Charges On Distilling

The Canadian Government moved to answer recent claims in the United States that Canadian distilling plants have been consuming large quantities of imported grains in recent operations.

The Canadian Secretary of State for External Affairs had prepared a memorandum on the end use of U. S. corn imported into Canada which was submitted to the U. S. State Department and Department of Agriculture, a report from Washington reveals.

The text of the memorandum was as follows:

In consideration of the present world shortages of basic foodstuffs, the Canadian Embassy wishes to draw to the attention of the Secretary of Agriculture the following details concerning the use of corn and other grains by the distillers in Canada:

1. Imports of corn from the United States during the period Jan. 1, 1947, to Dec. 31, 1947, for production of food products in Canada — 4,350,000 bushels.

Imports of corn from the United States by Canadian distillers during the period Jan. 1, 1947, to Dec. 31, 1947 — 3,629,000 bushels.

Total imports of corn from the United States during 1947 — 7,979,000 bushels.

2. Imports of corn from the United States in 1945 amounted to 1.7 million bushels; in 1946, 2.5 million bushels; in 1938 imports of corn amounted to 7.2 million bushels.

3. United States corn used by Canadian distillers during the past three years amounted to the following: 1945, 678,000 bushels; 1946, 830,000 bushels; 1947, 3,629,000 bushels.

4. In contrast to the increased usage of corn during the past year, it should be noted that Canadian distillers used the following quantities of wheat: 1945, 6,007,870 bushels; 1946, 3,222,660 bushels; 1947, 242,347 bushels (eleven months).

Wheat usage has been banned in Canada since March 17, 1947, with the exception of wheat unfit for human consumption. The restriction of the use of wheat by the distillers has automatically made available larger quantities of this commodity for export to the needy areas.

Therefore, distillers who operated did not have sufficient grain to renew their beverage stocks but operated largely on molasses to relieve the demand of the industrial users, and indeed for this purpose were forced to import from the United States alcohol in excess of one million Imperial gallons to offset the shortage.

5. The consumption of rye by the Canadian distillers has decreased during the past three years as follows: 1945, 624,200 bushels; 1946, 433,100 bushels; 1947, 397,300 bushels (eleven months).

The importation of rye was prohibited as of Nov. 7, 1947. It should also be noted that although more rye was imported in 1947 than in 1946, quantities far in excess of the imports were exported, principally to European countries as a supplement to their bread grain requirements.

6. Production of distiller liquors in Canada during 1947 was far below capacity. During the entire year 1947, the following performance record of the fifteen distillers operating in Canada is significant:

One closed for six months; one closed for four months; two closed for two months; two for one month; two on reduced production for four months; one on reduced production for three months; two on reduced production for two months; one on reduced production for one month; two only operated at full capacity during the year 1947.

7. Distillers do not consume all of the grain used for the production of spirits. Considerable residual feeding stuffs became available for live stock. This, it is assumed, would apply equally to the operations of distillers in other countries.

Ask Neutral Radio Board, Ban on Red Broadcasts

At Quebec City, the Canadian Association of Broadcasters recommended to its members that they should refuse "either to sell or give time to speakers representing any party, group, or association, whatever its name or front, which advocates the overthrow of Government by other than peaceful, democratic or constitutional means."

Earlier in the four-day session, the independent broadcasters heard a charge that Red propaganda "comes out mainly on government - owned stations." Charles S. Watson, public relations director for Canadian Breweries Ltd., said the independent stations had an excellent opportunity to counteract such propaganda by undertaking campaigns of their own.

May Quote Prices?

For advertisers, highlight of the meeting was a hint dropped by Harry Sedgwick of Toronto, in his remarks as retiring chairman of the Association's board of directors, that some "relaxation" on the price mention rule may be shaping up. At present, the government's regulatory bodies will not permit mention of the price of a radio-advertised product.

(At Ottawa, A. D. Dunton, chairman of the Canadian Broadcasting Commission's Board of Governors, said any change in regulations would have to be considered after the Board had heard representations at open meeting. Public notice would have to be given, and an opportunity provided to hear the views of all interested parties.)

The Association was handed opinion research data which supported the contention that Canadians want privately-operated radio. Walter Elliott of Elliott-Haynes Ltd., reported that a Dominion-wide poll last December showed 60% of respondents plunking for private operation of radio, 22% wanting an entirely-socialized system, 9% wanting the dual system now in operation, and 9% undecided. In 1945, 42% favored private ownership, 30% government operation.

Ask Independent Tribunal

Armed with such information, the independent broadcasters renewed their request for the establishment of an independent licensing and regulatory body in Canada. The present set-up, they say, doesn't meet this need. Virtually, the government-owned CBC network "recommends" on licensing and regulatory matters, and—according to an Association spokesman—"the Board of Transport Commissioners has never seen fit to quarrel with such recommendations."

To deal with problems relating to standardization of rate structure as they will arise from day to day, the Association appointed a committee comprising three members of the Association's board of directors, one member of the executive, and three sales representatives (two Canadian and one in the United States).

Obstacles to Television

Television broadcasting in Canada may be delayed by "a discriminatory excise tax structure" and the need for conservation of U. S. dollars, R. A. Hackbusch, chairman of the Radio Manufacturers' Association committee on FM and television, predicted.

The annual elections saw a considerable change in CAB's directorate and administration. G. R. A. Rice of CFRN, Edmonton, became chairman of the board of directors, succeeding Harry Sedgwick of Toronto. Phil Lalonde of CKAC, Montreal, was elected honorary president. T. J. Allard of Ottawa was named general manager, succeeding H. S. Dawson of Toronto, who resigned.

BOOKS FOR BUSINESSMEN

HIGH SPEED MATHEMATICS, by Lester Meyers; published by D. Van Nostrand Co. (Canada) Ltd., Toronto; 554 pages; price, $6.

There are no complicated formulae in this book; anyone who can multiply 2 x 2 will profit by use of it, and many of those who know most of the short cuts in mental arithmetic will find something new. The basic steps in each method are clearly outlined; there are many examples and a wide range of questions covering many branches of business and industry. Important throughout the book are those sections which offer means of checking answers obtained by routine procedure.

FDR, HIS PERSONAL LETTERS, edited by Elliott Roosevelt; published by Collins, Toronto; 543 pages; price $5.

Here, in his own words, is the story of the boyhood of Franklin Delano Roosevelt. This first volume covers, too, the years at Harvard before his graduation in 1904.

Later volumes—when he became president during the depression, and the war years—will no doubt prove of more general interest, but there is in this book much that will be of particular interest to historians and to those who study adolescent influences.

It is best expressed, perhaps, by his widow in the foreword: "Here in these letters, I think, one can watch the growth of knowledge, the development of a personality, the training of a mind, and the influence of environment and of contacts with other people on human materials."

CANADIAN ALMANAC & DIRECTORY, Edited by Horace C. Corner and Marsh Jeannerest; Published by Copp Clark Co., Toronto; 813 pages; price $8.50.

There are more than 50,000 listings in this 101st edition of the reference work. Changes in names of officials, post offices, institutions and business and legal listings make the Almanac an up-to-date annual aid for business offices and all others where cross-checking is required. Indicative of the expansion of the Almanac since its first pamphlet form is the addition to the title this year of the word "directory," since it has now become a complete directory of Canadian affairs. Its value has long been known to most business firms; the expanded facilities will gain for it an even wider field of acceptance.

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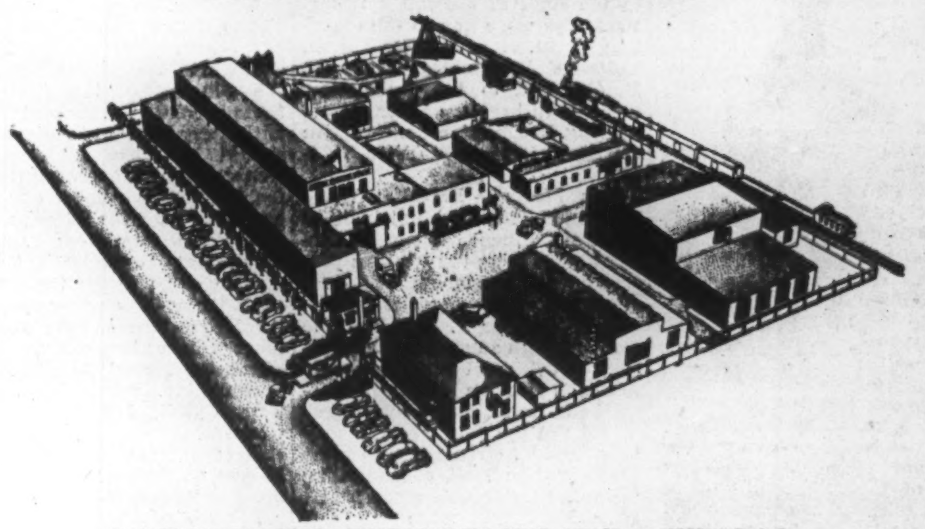

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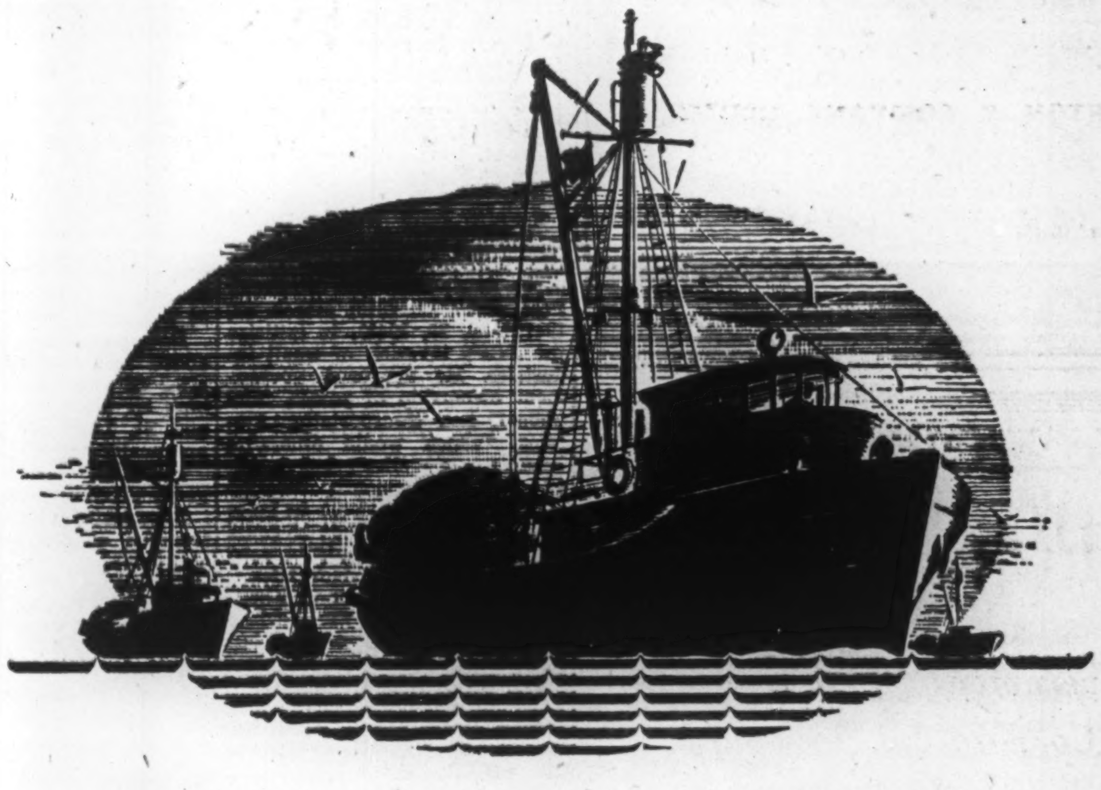

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The Provincial Roundup

British Columbia

By-election Pots Simmer: Ottawa reports hinted it would be late May, or perhaps early June, before federal by-elections were held in Yale and Vancouver Centre; but the localites were playing it safe. Liberals were holding nominating conventions this week — March 24 in Vancouver, March 27 in Yale; while W. A. C. Bennett, Progressive Conservative, and O. L. Jones, CCF, were already in the field in the latter riding. Vacancies were due to the elevation of Rt. Hon. Ian Mackenzie, Veterans' Affairs Minister, to the Senate; and to the resignation, through ill-health, of Hon. Grote Stirling, Progressive Conservative (National Defense Minister, 1934-35).

Tax Meals — Pattullo: While the Union of B. C. Municipalities protested Finance Minister Anscomb's 3% sales tax (unless proceeds were earmarked 100% for education and hospitalization), former premier T. Duff Pattullo came up with an alternate suggestion: a 5% meal tax, similar to Quebec's (to be similarly earmarked). He estimated such a levy would net the province $1.3 millions yearly, on the basis of last year's public food consumption; possibly considerably more, if sale of beer and wine were permitted with meals in hotels and restaurants (as Pattullo advocated).

Avert Turf Strike?: Pari-mutuels might, after all, click as usual at Lansdowne Park this year. "Reluctantly," in protest against "prohibitive" taxes, B. C. Turf & Country Club announced that neither Lansdowne nor Brighouse tracks would operate; said that in the last two seasons, it had lost $15,000, while paying federal and provincial governments $868,000 in taxes. Facing substantial loss in revenues, Richmond municipal council, businessmen and horsemen voiced a joint appeal to the provincial Cabinet, for a compromise. The municipality faced a loss of $8,400 in taxes, if there was no racing; feed stores, a loss of nearly $50,000 in business; some 200 exservicemen would lose part-time employment. Finally, from Attorney-General Wismer, came the assurance: "There'll be horse racing in Vancouver this summer." He wouldn't amplify.

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Alberta

Why Not Sweepstakes?: Sweepstakes forged to the fore in debates both here and in British Columbia, simultaneously with the running of the first Irish Sweep of the year. Present federal antilottery laws "are unsound, and should be changed," Attorney-General Lucien Maynard told the legislature: "We know our mails are being used for lotteries, right across the Dominion; reputable benevolent organizations and service clubs break the law, or avail themselves of loopholes, in it." Maynard said the Government "refuses to resort to tapping telephone lines," to stamp out bookmaking. In British Columbia, Tom Uphill, Labor, urged the Government to institute sweepstakes; suggested ex-President Eamon de Valera of Eire, be invited to tell the House what they had done to help hospitals and housing in his country.

Municipalities Overspending: Too many municipal districts are following "spending policies which might lead to disaster," Municipal Affairs Minister C. E. Gerhart warned, predicting that action might be necessary to prevent depletion of reserves built up in war years. Some 35 out of 60 municipalities had already dipped into such reserves, he stated. Gerhart also announced legislation will be drafted this summer, to provide uniform charters for all Alberta cities, with three optional types of administration — city manager, city commissioner, or city council.

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Saskatchewan

"Great Political Mistake": The Socialist Government made "a very great political mistake" in awarding highway contracts to the President of the East Regina CCF Association, Provincial Treasurer C. M. Fines admitted in the House. But he insisted there had been "nothing morally or economically wrong" in the deal (covering regraveling of some 68 miles of roadway); and said the contractor, K. Schan, a butcher by profession, made a profit of only $85. As a counter-charge, Fines alleged the province had been defrauded of "thousands of dollars" through purchases of dyes by the former Liberal Government, from a "dummy" company established to bolster party funds.

Censure from Within: Blunt-spoken Jacob Benson (Last Mountain) once more risked the lash of party discipline (The Financial Post, April 13, 1946; March 22, 1947; Feb. 28, 1948), to criticize the CCF's invasion of small industries. He approved government ownership of power, telephones, and transportation systems, "which would otherwise become monopolies"; but insisted the Government's function was to act as a referee in labor disputes, and held that it could not do this impartially, if it owned and operated small industries.

Plague of Locusts?: Southern and western areas of the province are in danger of the heaviest grasshopper infestation in eight years, the federal Entomological Laboratory at Saskatoon warned. Hordes of the insects swept the wheatlands last year, leaving millions of eggs in ditches and stubbled fields. Officials stressed that vigilant measures would be necessary, to avert greater damage than the $14 millions done in 1940; counselled extensive use of poison bait — a mixture of sodium arsenite, sawdust and bran — throughout the area from North Battleford southward to the U. S. border, and from the Alberta boundary to a line running north through Estevan, Weyburn and Regina.

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Manitoba

"Far Better Than Russia": "An affront to this House," Premier Stuart Garson branded a suggestion by Labor Progressive W. A. Kardash, that the legislature call for reimposition of price controls at levels of January, 1946. Canadian Communists, "treacherous and traitorous to Canada," Garson declared, "are seeking to create as much turmoil as they can, in respect to prices and conditions which are incomparably better than those provided by the Communist Government of Russia."

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Ontario

Cities' Baby Now: With a deep sigh of relief, Labor Minister Charles Daley deposited on the doorstep of four municipalities, one of the most troublesome babies which had plagued him during four-and-a half years of office. In recent years, gasoline station operators in Toronto, Hamilton, Brantford and Windsor had invoked the Industrial Standards Act, to compel early closing. In future, regulation of such hours would be up to the cities concerned, not to the province. Earlier, the Ontario Good Roads Association had protested "action by self-appointed dictators"; had branded 7 p.m. closing "a narrow-minded, hick setup," unfair to tourists. Said Daley: "I don't think any single problem has caused me more concern."

Start Lake Season?: The province's lake navigation season MIGHT open next week, but there was a strong element of uncertainty. Algoma Steel's collier Algoway reportedly planned to clear the Welland Canal April 1, for the Lake Head, and several oil tankers were also being geared for an early start. Reports at Sarnia, however, warned that the Upper Lakes might remain ice-locked until late next month. Ice varied in depth from 14 to 20 inches in the St. Mary's River, main bottleneck in the system; Whitefish Bay, at the southeastern end of Lake Superior, 40 inches was reported in places.

Sinking Fund Inviolable: Toronto had a sinking fund of $900,000 lying idle. Why not, Mayor H. E. McCallum suggested, lend the money to the city at 1% interest for two or three months, to bridge the gap until the first installment of 1948 taxes became payable. The move would net the fund about $1,250 in interest; but on the advice of City Solicitor W. G. Angus, Board of Control dropped the idea like a hot potato. The reason: the Municipal Act forbade any such interchange of funds, with a penalty of two years' expulsion from civic office for those countenancing such a step.

Hospital Costs, Rates Up: Hospital problems multiplied in the province's capital, as directors of Toronto General Hospital served notice that the institution might have to close its doors, unless current deficits were paid. The city's Board of Control deferred decision on a claim for $349,000 to make up maintenance costs of indigent patients; contended the responsibility was federal or provincial, and voiced hope of additional provincial grants. Simultaneously, Toronto General, St. Joseph's and Riverdale Isolation hospitals, upped their rates, by increases ranging from 50c to $1 a day; blamed increasing costs of food, fuel, medical and surgical supplies, and staff remuneration.

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Quebec

Shipping Picture Good: While the icebreakers N. B. McLean and Ernest Lapointe laboriously chewed a channel up the frozen St. Lawrence, Montreal port authorities looked forward to one of their busiest shipping seasons. Only cloud on the horizon was possible labor troubles, particularly in the United States. If these did not materialize, operators saw the shipping picture thus:

Coal: Very heavy shipments; possibly greater than last year's near-record.

Grain: Perhaps lighter than last year, but with possibiliy of improvement.

Pulpwood: Good to excellent; at least on a par with 1947.

Package freight: Extremely heavy, due to arrival of more goods from Britain and Europe, as well as a heavy flow overseas.

Downbound iron ore: Possibly above last year's record high; after an extremely busy winter, bins all along the Great Lakes and St. Lawrence are reported practically empty.

Upbound ore: Prospects also good; possibly better than 1947.

Meanwhile, with continued cold weather, operators doubted that the shipping season would open much before late April.

Stormy Finale: Taunts of "blackguard" and "coward" flew across the Assembly floor, as the House, in the dying hours of its session, refought the vexed question of conscription, each side accusing the other of exploiting the issue . . . Answering charges that the Government had given "immense' road contracts to Ontario contractors, without tenders, Roads Minister Antonio Talbot challenged critics to prove he had benefited personally from government spending; offered his resignation if they succeeded.

McGill Standards Up: Faced with a steadily-increasing enrollment, McGill University planned a closer screening of students; set new and higher standards for Arts and Science degrees, "which will be rigorously applied to all students on the faculty." In the past, authorities explained, too many students had been able to coast through their courses, by writing supplementary examinations, if they failed in the regular tests. Number of supplementaries would now be reduced; first-year students would not be allowed to write these, unless they had passed at least three full courses; second, third and fourth year students would be barred if they failed in more than one full course or two half courses.

Revoke Club Charters?: As the latest step in its drive against gambling, Montreal planned to apply to the Attorney-General (Premier Maurice Duplessis) for cancellation of the charters of 13 "social clubs." Wide-open gambling, Deputy Police Director Pacifique Plante reported, had been driven underground: "Hunted without pity for more than a year, the toughest keepers are now hiding behind the shelter of social club incorporation. To make the victory complete and permanent, we must obtain cancellation of the charters under which these clubs have operated. It seems there are hardened operators, who will not give up until they are deprived of their smoke screen."

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New Brunswick

More for Hospitals: Provincial aid to hospitalization in 1948 will be six times that of recent years, (grants $162,000, against an average of $25,000 in the past), Health Minister F. A. McGrand promised. Simultaneously, the provincial branch of the Canadian Cancer Society announced award of its first grants to physicians for clinical study in control of cancer: To Dr. John R. Nugent, Saint John, chairman of the clinical advisory committee of the provincial diagnostic service, and Dr. Ian A. MacLennan, Moncton City Hospital pathologist, who will carry on research in New York and Boston.

Big Building Program: Greater Saint John impatiently awaited spring weather, which would permit the launching of an extensive building program, and would probably see an end to unemployment locally. Latest available figures showed 2,433 seeking work, with only 312 orders placed for labor. Construction — federal, municipal, institutional and private — now pending, included rebuilding and extension of the McLeod-Pettingill docks on the East Side of the harbor, $2.5 millions; the Rockwood Court housing program, $2 millions; erection of immigration sheds at the West Side harbor, $1.1 millions, East Saint John Regional High School, $800,000; addition to the Vocational School, $650,000; replacing of city water pipe lines, $75,000; also construction of many stores and private homes.

Saint John Port Busier: Saint John port showed a substantial increase in traffic in 1947, over the previous year: Ship arrivals 1,593 (1,151 in 1946); vessel tonnage 2,341,455 (2,129,154); cargo tonnage 3,017,589 (2,842,688). The port's status as a maritime centre could be gauged from total figures for all Canadian ports: vessel arrivals 42,876 (39,823 in 1946); vessel tonnage 29,860,000 (26,879,000); cargo tonnage 31,071,000 (27,172,000).

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Nova Scotia

Test Tax, Job Law: What authority (if any) had Parliament and the provincial legislature, to swap jurisdiction? The question was under review before the Supreme Court of Nova Scotia this week, in the form of a stated case, to determine validity of reciprocal legislation ratified by the province last summer. Questions put to the Court:

Had Parliament power to delegate to the province, authority to impose indirect taxation, in the form of a sales tax?

Had Parliament power to delegate to the province (a) authority to impose indirect taxation, in the form of a sales tax (b) authority to legislate on unemployment matters, otherwise under exclusive federal jurisdiction?

Had the legislature power to delegate to Parliament, authority to legislate in the provincial employment field?

Neutral Territory: The province, it was forecast, planned to make factory premises neutral territory, during industrial disputes; would forbid employers to post notices on the premises, stating their side of the controversy. A similar ban is already imposed on employees, under last year's Labor Act.

Halifax Pares Taxes: Rather than boost its tax rate, Halifax tapped its $600,000 "current surplus" account of the $364,883 paid by the CNR last year in lieu of taxes for the years 1944-47 inclusive (The Financial Post, July 5, 1947). Result, on a $4,800,300 budget, will be a 16-point drop, to $6.66, in the business tax rate; also a cut of 10c per $100 of assessment on real estate, due to discontinuance of the highway tax. City Council pruned $52,000 from the budget, then agreed to grant school teachers half of the $70,000 salary increase they had asked (average increase for each of 418 teachers, $84 a year).

• • •

P. E. Island

Spring at Last: Winter was at last relaxing its grip on the Island, after keeping the Government busy implementing its pre-election pledge to keep the highways open, and to relieve municipalities of the task of snow removal. After the heaviest snow season in many years, Charlottetown alone estimated it had been saved $20,000 by the change.

Aid Mercy Flights: Mercy flights staged during the winter by a Charlottetown flying school, had paid such dividends in health, that the Island Government planned to subsidize the service — principally by providing equipment required to undertake ambulance flights to remote parts of the province. Pilots of the school had brought a number of patients to Charlottetown hospitals, in one case landing on harbor ice within 100 yards of the hospital door.

ATLAS YELLOWKNIFE MINES Mar. 15 installment of 165,000 shares at 20 cents a share, together with each subsequent installment have been extended for three months.

AKAITCHO YELLOWKNIFE GOLD MINES has received payment for 369,995 shares at 75 cents a share. Issued capital, 2,950,000 shares.

NEW NORZONE MINES has received payment on 50,000 shares at 20 cents. Issued capital—1,850,002 shares.

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Export Shipments Increase From Principal B. C. Ports

More than half a million tons more merchandise was shipped through B. C. ports to foreign destinations last year than in the last full prewar year, 1938. And a similar increase in import business was also recorded.

All told 4,272,103 tons of exports left 12 West Coast ports as compared with 3,553,545 tons in 1946 and 3,727,051 tons in 1938. The lion's share of the export business went, of course, to Vancouver through which 2,323,941 tons of exports was cleared. New Westminster was second on the list with 1,052,496 tons.

On the import side, 2,127,857 tons of goods came in through six ports as compared with 1,309,318 tons in 1946 and 1,608,876 tons in 1938.

Number of vessels clearing principal B. C. ports during 1947 totalled 1,821 as compared with 1,449 in 1946.

Here are details of export and import shipments for the ports for the years 1938, 1946 and 1947:

All Exports to Foreign Countries

Port	1938	1946	1947
Vancouver	1,768,284	2,272,520	2,323,941
Victoria	163,834	68,912	120,439
New Westminster	860,533	809,659	1,052,496
Prince Rupert	17,305	......	......
Port Alberni	419,478	177,835	207,917
Chemainus	200,876	91,187	182,788
Ocean Falls	42,658	17,108	18,138
Powell River	55,160	31,676	73,324
Woodfibre and Britannia Beach	26,735	4,912	92,190
Cowichan Bay	57,036	35,003	68,413
Union Bay	5,744	12,040	25,488
Nanaimo	49,253	30,725	106,968
Total (tons)	3,727,051	3,553,545	4,272,103

All Imports From Foreign Countries

	1938	1946	1947
Vancouver	1,542,099	1,892,992	2,056,043
Victoria	23,410	5,946	262
New Westminster	21,761	2,507	5,942
Prince Rupert	......	......	......
Port Alberni	......	......	......
Port Alice (Quatsino)	2,294	......	......
Chemainus	......	......	......
Ocean Falls	12,241	5,773	38,671
Powell River	3,909	2,100	24,489
Englewood	......	......	......
Woodfibre and Britannia Beach	3,162	......	2,450
Blubber Bay	......	......	......
Cowichan Bay	......	......	......
Union Bay	......	......	......
Nanaimo	......	......	......
Total (tons)	1,608,876	1,309,318	2,127,857

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Industry Steps Up War on Corrosion

$1 million? $20 millions? Nobody knows how much money corrosion of metals in the home, in industry, transport and construction is costing Canada each year. What is known, according to the National Research Council is (a) that it's costing plenty, and (b) that efforts to combat it are sometimes weak, always scattered and lacking uniformity of method. And NRC has moved to bring industry and the universities together for concerted counterattack.

A new committee headed by Dr. R. F. Rogers of Dept. of Mines & Resources has been set up by the Council to assemble and promote distribution of all available information on corrosion. The committee and Council will assist universities in study of the fundamental chemical and electrochemical reactions that cause deterioration of metals in service, and in training students in the techniques of corrosion research and prevention. Co-operation is sought of all industries and organizations interested.

With Dr. Rogers on the committee are H. J. Butterill of International Nickel, M. Cohen and C. Y. Hopkins of NRC, R. Judge of National Defense dept's research board, Frank D. Forward of University of British Columbia, H. P. Godard of Aluminum Laboratories Ltd., Lorne Sproule of Imperial Oil, E. T. Hurley of CNR, H. D. Smith of Nova Scotia Research Foundation and Frank Twining of Canadian Industries Ltd.

BRAND & MILLEN says that an additional 20,000 class A shares were taken up by Savard Hodgson & Co. Inc., at $2 a share in June, July and August, 1947, concerning which no notification was given The Toronto Stock Exchange prior to termination of agreement by default.

1947 B. C. Grain Shipments Nearly Double Those of '38

Nearly 50 million bushels of grain of all kinds were shipped through B. C. ports last year to U. K., five other European countries and Central and South America.

Bulk of these shipments went through Vancouver to U. K. which received a total of 43,091,650 bushels through B. C. ports. Belgium received 2,706,681 bushels; Netherlands, 2,300,310; France, 65,882; Germany, 614,319; Switzerland, 565,739; Central and South America, 568,000 bushels, making a total of 49,915,181 bushels.

These shipments are nearly double the 1938 total which was 25,582,616 bushels but considerably down from the 1946 figure of 61,816,655 bushels.

Pulp and paper shipments, too, show a big increase over prewar. In 1947, 411,151 tons were shipped to U. S., U. K. and four Empire countries, to Europe, China and Japan and to South American countries.

That was 60,000 tons better than 1946 and nearly double the 1938 figure of 223,970 tons.

Here are the details:

GRAIN EXPORTS

FROM	TO U.K. Eur.	C & S America	Total
Vancouver			
Wheat	41,111,881	565,659	41,677,540
Oats	4,868,937	2,941	4,871,878
Barley	......	......	......
Rye	......	......	......
Total (Bus.)	45,980,818	568,600	46,549,418
New Westminster			
Wheat	3,379,287	......	3,379,287
Oats	50,588	......	50,588
Victoria			
Wheat	35,888	......	35,888
Prince Rupert	......	......	......
Totals (Bus.)	49,346,581	568,600	49,915,181

PULP & PAPER EXPORTS

TO:			
Australia	34,237	32,838	41,855
Canada	23,366	....	47
China & Japan	16,637	7,856	12,906
Europe (Contnt)	286	276	7,091
India & E. Indies	521	....	....
Mexico	....	4,103	1,680
New Zealand	1,343	4,047	1,608
S. American countries	2,041	2,544	3,633
South Africa	....	3,523	1,341
United Kingdom	6,692	12,605	11,901
United States	134,331	262,056	315,538
Other	5,316	3,941	3,640
Total	223,970	383,789	411,151

COMPANY REPORT

ROLLAND PAPER CO. 1947 net profit was double 1946 at $330,734 ($162,427). The increase in profits reflects a period of unprecedented purchasing power. The outlook for the current year, however, is a return to more competitive business. Production for the year established a new record.

Capital expenditures during the year on the company's St. Jerome and Mont Rolland mills amounted to $427,665. During the year the new head office premises were purchased at 1645 Sherbrooke St. W., Montreal.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$997,857	$607,241
Less: Deprec.	388,186	213,751
Bond interest	64,937	66,063
Taxes res.	330,000	165,000
Net profit	330,734	162,427
Less: Pref. div.	72,250	80,333
Common div.	45,001	36,001
Surplus for year	213,483	46,094
Times Bond Interest Earned:		
Before deprec.	15.37	9.19
After deprec.	11.02	5.96
Earnings per Share and Dividend Record:		
Preferred	$19.45	$9.55
Paid (new)	4.25	3.18%
Paid (old)	....	†1.75
Common	4.31	1.37
Paid	0.75	0.60

†Paid on redempt.

CONDENSED BALANCE SHEET

As at Dec. 31	1947	1946
Cash & Dom. bds.	$452,147	$548,992
Other invest.	....	7,398
Accts. rec.	804,841	678,133
Inventories	1,030,961	810,844
Total curr. assets	2,287,949	2,045,367
Misc. assets▲	289,741	311,805
Fixed assets	5,865,000	5,441,532
Trademarks	500,000	500,000
Total assets	8,942,690	8,298,704
Total curr. liab.	1,013,339	708,166
Funded debt	1,750,000	1,825,000
Deprec. res.	2,836,321	2,472,667
Capital stock	3,000,032	3,000,032
Earned surplus▲	†342,998	292,839
▲Incl. ref. EPT	35,951	35,951
Working capital	1,274,610	1,337,201

†After deducting $125,000 spec. prov. for depreciation.

DIVERSIFIED MINING INTERESTS CANADA Mar. 15 installment of 50,000 shares at 50 cents has not been exercised and balance of agreement with Atlas Finance Co. has been amended as follows: 14,285 shares underwritten at 35 cents, payable forthwith and 185,710 shares optioned at 35 cents and 200,000 shares at 40 cents. Upon issue of underwritten shares issued capital will be 2,614,290 shares.

INTERNATIONAL URANIUM MINING CO. advises that Dunsford Securities has underwritten 45,000 shares at 40 cents, payable forthwith and optioned 400,000 shares at 40c to $1 a share. Upon issue of underwritten shares issued capital will be 2,595,005 shares.

B. C. Seed Growers Look for Exports To Help Maintain Wartime Records

British Columbia's war-swollen seed growing industry is beginning to go into a postwar decline.

According to J. L. Webster, Government horticulturist, B. C. is in the position that unless a profitable export market opens up again for vegetable seed B. C. must be content with a market of approximately 25% of wartime volume.

However, this does not mean that B. C.'s important seed-growing business is going to pot. While there has been a marked decrease in production during 1947, estimated value was $550,000 compared with only $72,130 in 1939.

During the wartime peak it was up 30 times in value to $1.5 millions and at least 10 times in volume. B. C. has produced up to 80% of the vegetable and flower seeds in Canada and an even higher proportion of flowering bulbs.

The decline in production and value since the end of the war was not unexpected. During the war there had been a tremendous demand for seed at high prices from the United Kingdom and from all allied countries because their sources of normal supplies from Europe had been cut off.

There was also a greatly-increased consumption of seed in Canada and the United States because of the stimulus to home gardening. Wholesale prices of seeds rose to as high as three times prewar levels and farmer-growers were given contracts for large acreages at these very profitable prices.

Early in 1946 it became evident that this abnormal export demand which was chiefly supplied through the Special Products Board of Ottawa, was practically at an end.

Some surpluses of seeds existed even then and this also had a depressing effect on prices. At the same time interest in home gardening began to decline, resulting in a smaller domestic demand.

Production Cut to One Third

Toward the end of 1946 when mutual aid or "lend lease" was practically discontinued, the United Kingdom in order to protect her trading position, refused to allow resumption of trading between British and Canadian firms. This meant that further Canadian seed was kept out of the U. K. market because of Britain's desire to conserve dollars for the purchase of more needed supplies.

As a result the value of production in 1947 was but one third of the peak wartime period. Even compared with 1946, it was 50% smaller. (See accompanying table for details of vegetable seed production.)

Prices on most kinds of vegetable seeds are considerably lower today in some cases almost back to prewar levels. At the same time the cost of production has increased in common with all other commodities, resulting in a narrow profit margin, hence little incentive for farmers to continue producing.

Local seed firms are cautious in contracting under prevailing conditions unless they have a sure market. As a result many former seed growers are dropping out of business altogether and turning to other types of crops.

However, the situation is not all dark. B. C. has achieved a fairly permanent and favorable position for seed in world markets. The wartime boom left B. C. with a large number of experienced growers. They acquired a great deal of information about kinds and varieties and of various climatic zones in the province.

But while vegetable seed production fell off sharply, field root and forage crops seed production continued to hold a prominent place in the agricultural economy of the province. There was a large increase in the alfalfa acreage in the Peace River block last year, although this was somewhat offset by poor yields.

The following table gives an indication of seed production for 1947 compared with actual production in 1946:

Kind:	1946 Lb.	1947 (Est.) Lb.
Asparagus	300	250
Beans (broad)	24,973	23,700
Beans (pole & dwarf)	170,677	237,700
Beets	38,300	47,479
Borecole or kale	......	......
Brussels sprouts	1,000	......
Cabbage	10,065	2,359
Carrots	174,300	44,200
Cauliflower	1,189	640
Citron	380	400
Corn (sweet)	22,950	26,500
Cress	995	......
Cucumber	5,700	17,100
Leek	700	1,110
Lettuce	65,350	25,084
Muskmelon	270	400
Onion	224,000	65,350
Onion-sets	38,000	40,000
Parsley	17	......
Parsnip	11,500	2,610
Peas	3,469,700	2,743,400
Pepper	35	60
Pumpkin	505	800
Radish	87,800	23,650
Spinach	14,100	11,500
Squash	2,000	1,500
Swiss chard	1,000	10
Tomato	1,010	1,362
Turnip, Swede	9,100	7,873
Vegetable marrow	6,900	5,800
Watermelon	75	400
Totals	4,383,891	3,331,237
Total value	$1,045,149	$550,000

Since 1929, there has been a 250% increase in bulb acreage. Last year's survey showed 559 acreas were being cultivated compared with 159 in '29. Value of 1947 production is estimated at $332,800.

The following table indicates the upward trend:

In Fraser Valley:	1946	1947
Narcissi	8,440,000	8,767,100
Tulips	2,340,000	1,474,200
Irises	275,000	304,800
Hyacinths	10,000	18,965
Totals	11,065,000	10,565,065

On Vancouver Island:	1946	1947
Narcissi	8,240,000	9,880,500
Tulips	9,380,000	10,095,900
Irises	5,050,000	5,597,600
Hyacinths	75,000	72,630
Totals	22,745,000	25,646,630

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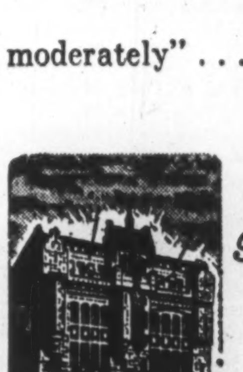
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What's the Lesson of Postwar I. Boom?

Here's How it Developed, Its Effect on Wages and Prices

By BRUCE MacKINNON
Maclean-Hunter Editorial Research

A year ago, it was fashionable to draw parallels between Postwar I and Postwar II. Today, because history failed to repeat **during 1947,** the practice has subsided somewhat.

That doesn't mean, of course, that the comparison is no longer worth making, that business shouldn't try to discover why Postwar I inflation cracked in less than two years after the end of the war, while Inflation II is spiralling toward its fourth peacetime year. It may be that the answer to this question will hold the key to future recovery.

When you check back on the records of the first boom and slump, the similarities to present conditions are obvious. The war was financed on credit, brought great increases in wages and prices. The boom that followed was also financed on credit, both domestic and international. There was the same frantic effort to meet all backlogs at once, the same impatience with delay and tolerance of price increases.

As today, prices moved up sharply because of urgent demand in the face of temporary shortages, and the result was that values became distorted. More serious, wages and mortgage debts moved up with the prices, so that the distortion tended to get itself "frozen" into the economic pattern.

What are the differences?

Those features of Inflations I and II are sufficiently well known not to need elaboration. The differences will probably prove more significant.

First is Time. From war's start to inflation's peak was 5½ years in War I. The present inflation is nearly half-way through its ninth year.

Time is easy to measure, but hard to evaluate. Everything depends on how deeply imbedded the dislocations become, and it is obvious that the longer an inflation lasts, the better chance the distorting factors have of "digging in."

For example, the biggest gains of labor during this inflation had been scored by 1943. By that time, the average wage in manufacturing had increased more than 50%, employment had doubled, so that total payrolls were about three times as big as they were in 1939. Since 1943, the increases have been at a more modest rate. Latest reports indicate an average annual wage of about $1,850 against $1,525 in 1943 and $975 in 1939.

With average wages double the 1939 level and employment nearly double, it is clear that the stores and industries catering to the wage earner have been growing accustomed to three to four times as much trade (in dollars) as they enjoyed in 1939. And they have had more than four years in which to become accustomed to the flood. Entire new residential and shopping districts have sprung up, all built at (conservatively) 70% more than the same properties would have cost before the war, and frequently priced at double and treble the prewar figure.

Today, in the Toronto area, the lowest price for a new bungalow is in the neighborhood of $6,500. Before the war, the cheapest NHA bungalows were regularly advertised at $2,500. At least part of this increased cost has been frozen into mortgage debts and will lead to embarassment if the inflation subsides.

The Question of Value

The second major difference between Postwar I and Postwar II is Value.

In the First World War, most prices and wage rates were allowed to rip. That led to sharp increases (the most common industrial wage in 1915 was between $12 and $15 a week, between $20 and $22 in 1920). The labor strife that resulted was a handicap to Canada's war effort, but from the purely economic point of view, the ability of the price system to operate freely had its advantages. With some minor exceptions, everyone was free to "charge what the traffic would bear." Result was that most things seem to have sold at something fairly close to their "natural" value.

Prices and true values **must** be reasonably close together if economic life is to carry on actively. If a thing is priced below its true value, the seller becomes a mere order-taker, the producer loses interest and the whole tempo slows.

If a thing is priced above its true value, resistance of the buyers increases and the flow of goods slows down.

No one can go back to the newspapers of 1918 to 1920 without sensing the terrifically competitive spirit that governed business. Every day was bargain day. Even when prices were going into new high ground, retailers were offering sharp "reductions," store owners advertised that their mark-ups were only 20%, against the Board of Commerce recommendation of 33 1/3%. "Factory to User" ads offered a saving of 50% on phonographs. One-price clothiers offered suits at $25 — about a week's average pay — and made a great show of the superior quality they offered, backed up with personal success stories.

Installment selling was beginning to get under way, and in 1920 your dealer would throw in a phonograph on time if you bought a stack of records. The cheapest table-model phonograph sold for $55, but for the fancier, stand-up models you would have to pay from $200 to $400.

The impression you take away is that goods had to be **sold** — even in the lushest times. It was a seller's market, perhaps, but to nowhere near the same extent as in Postwar II. A situation like the 1947 automobile market, where new cars were sold by the dealers at $400 to $500 less than they were worth on the used markets would have been unthinkable. Things sold for what they were worth and you had to keep humping to sell them.

The Housing Problem

Nowhere was the importance of price freedom more evident than in housing. Neither rents nor sale prices had been pegged, so both went up together and apparently more or less equally.

There were always houses and apartments offered for rent.

The rates varied considerably. Usually one or two apartments would be available at around $20 (equivalent to $36 or $37 today) and you could count on a selection at $30 to $40 a month, ($54 to $72 today) — all heated. Top prices of $100 a month were asked for large duplexes in the better districts, but there were very few of this sort offered and they usually contained eight or nine rooms.

A backward glance at the Postwar I Boom shows two fundamental differences between then and now:

Time — the first postwar boom lasted a year and a half, while the second postwar boom is now approaching three years; and

Value — prices, interest rates and exchange rates were allowed to find their own level. This stimulated producers and sellers, restrained purchasers, kept competition and general activity at fever pitch.

This article tells how the free play of uncontrolled economics cut short the inflation of Postwar I. A second article next week deals with the slump that followed.

Cheapest houses in the Toronto district were around $2,000 with as little as $450 down, roughly equivalent to $3,750 and $800 down today. The bulk of the housing offered, however, was in six to eight roomed houses at $4,000 to $6,000 —equivalent to $7,500 to $11,000 today.

Top prices in the Toronto area were around $35,000, and for this you would get a veritable estate. For $22,500 one owner was offering a, 12-room house with two bathrooms, conservatory, garages and so on. "Make offer," his ad urged.

The housing picture of 1920 looks like the promised land today, but it must be pointed out that prices would not have been so good if it had not been for the pre-War I building boom. On the other hand, it is clear that with rents uncontrolled and properties allowed to move at their true value, there was always something available. Today, the situation is aggravated by the disappearance of rental property. Tenants won't move, because they're usually getting more than they pay for and landlords don't want to make space available when they know that they'll lay themselves open to the rule of the rent commissars. Once again, it's a case of the importance of keeping prices and values in harmony.

Taxation and Profits

But, at least in the popular mythology, the First World War is supposed to have been a profiteer's war. Did the fact that there were no federal income taxes before 1918, either personal or corporate, bring serious dislocations?

You can't answer that question without doing a little clear thinking about profits. There is nothing essentially harmful about big profits, provided they bring an increase in supplies, that is, providing the profits act as a spur to investment and production.

On this basis, it's hard to see where much harm was done by the failure to tax profits to death during and after the First World War.

As already pointed out, heated apartments were steadily available, even at the peak of the inflation, for the equivalent of one average week's pay in a factory. The cost of living index hit a peak of 200 (1913 equals 100), but the wages of common factory labor peaked at 215, miscellaneous factory trades at 217, lumbering at 203 and coal mining at 208. Skilled trades did not fare so well, hourly rates in the building trades, for example, only rising 81% above the 1913 rate.

Early in 1920, newspapers got statistical and ran charts to show that real wages were declining owing to high prices. There seems to have been some validity in these charts, but the pressure of prices only overcame the rising wage trend as the inflation neared its peak. Also, the comparison was made on the basis of hourly wage rates, not on total earnings, back figures on which were not available.

The evidence seems to point toward a rougn parity between wages and prices, not to any system of ruthless profiteering that reduced the living standards of the people as a whole.

Living Standards Improved

Actually, the evidence points to a substantial improvement in living standards.

Automobile registration rose from 50,558 in 1913 to 513,821 in 1922. At the peak of the inflation, it was possible to buy a two-year-old used Ford for $800 — about 40 weeks' pay, or roughly the equivalent of $1,450 today. Which, by coincidence, is about the current price of a 1946 Ford! Most expensive offering among the early 1920 used car advertisements was a new Briscoe coupe, complete with wire wheels, at $1,600, equivalent to roughly $2,900 today. Older cars, of course, could be picked up much more cheaply, and, because the supply had been increased steadily during the war, there was not the same gap in model years (and consequent excessive pricing on elderly vehicles) that is a feature of today's car market.

The automobile of 1920 was as well within reach of the working men of that day as the automobile of 1948 is to the present-day worker. Which is a somewhat surprising state of affairs if 1920 had been a profiteer's boom.

Some other luxuries seem to have been priced a little higher in relation to their current counterparts. The price range of phonographs, for example, running from $44 to around $400, roughly parallels the price range of radios and radio-phonographs today. In terms of wages, the 1920 prices were considerably higher. But the fact that they were advertised in mass-circulation media, and the fact that the number of firms making phonographs in Canada increased from three to 10 during the first three postwar years indicate that this form of entertainment was by no means restricted to the "carriage trade."

The most sensible conclusion would appear to be that the war brought substantial improvements in general standards with luxuries more widely distributed than ever before. Then, as now, the really onerous increases in the cost of living were in food, fuel and clothing, and were caused by Europe's perennial production difficulties, not by any domestic group.

Prices and Values

Perhaps the curb on out-of-line prices goes back to that relationship between the prices of things and their true value. This meant competition, and so long as competition was active, it was difficult to charge more for a thing than it was worth to the buyer. The position contrasts with the "controls" of the present situation in which some prices, being artificially low, result in artificially high prices and artificial scarcities in other lines. "Gray markets" can't exist for long when the producers charge full value for their products.

Even the price of money was allowed to find a natural level. At the peak in 1920, banks were urging Canadians to "SAVE! SAVE! SAVE!" in the biggest and blackest type they could find. But instead of having to rely on the moral advantages of thrift, there was, in 1920, a real incentive to save. Victory Bonds offered a yield of 5% to 5.85%, while good municipals could be bought to return better than 6%. Preferred stocks yielded 8%.

High interest rates were clearly a key factor in curbing Inflation I. They spurred the producer to get out of debt as quickly as possible by producing more. They curbed the spender and borrower, not only because of the big reward offered for saving, but because the rising interest rate pushed down the value of most Victory issues to around 95. Instead of the 4½ points profit that has been offered the holder of present-day Victory Bonds, the 1920 wartime saver was faced with a five-point loss. Any stockbroker will tell you that an investor will sell a security on which he has a profit more readily than one on which he has a loss.

Besides, there was the certainty that if the man of 1920 held his $95 bond to maturity, he would get $100 for it, plus coupons at 5½%. As a clincher, he could get bonds exempt from income tax if he chose.

U. S. Exchange

Another potent curb against excessive spending was the discount against the Canadian dollar in U. S. funds. Beginning 1919 at a discount of a cent or two, the dollar held at above 95c for the better part of the year. Then, as inflation began to peak, the pound started to slide, taking the Canadian dollar down to a low of around 87c in the first half of 1920. Thereafter it hovered around 90c or a little below until the end of 1921 when Canadian money returned to parity.

As far as the Canadian shopper was concerned, this freedom of the exchange rates meant that from the end of 1919 about $1.11 Canadian was needed to buy $1 worth of U. S. goods. This clearly contributed to the sharp rise in fuel and clothing costs that occurred in the early part of 1920, also to the reduction in spending on U. S. imports.

These natural curbs on spending were reinforced by the Government's policy. During 1919, Ottawa continued its heavy wartime spending, ending up on March 31, 1920, with a deficit of $390.3 millions. But in the following year — the year which brought the end of the inflation — Ottawa had a surplus of $17.7 millions.

There was no attempt to buy off the inflation with subsidies, no effort to use the war as an excuse for redistribution of income. Nor, for that matter, was there any attempt to buy political power from the provincial governments — subsidies to the provinces remained where they had been throughout the war, about $11 millions a year. And the Canadian Government did not attempt to carry Canada's overseas customers on credit.

Strangely enough, the failure to carry Europe on the cuff did not seem to delay reconstruction. In January, 1920, it was reported that British exports to Canada were at an all-time high.

This retake of Inflation I has shown up several fundamental differences from the present-day pattern:

1. Free markets were allowed to set prices, so that prices and values were usually close together. Result was that competition was kept at a high pitch.
2. High interest rates, Victory bonds and Canadian dollars at a discount acted as a strong curb on spending, a strong incentive for thrift.
3. Deflationary government policies, absence of subsidies or "charity" loans abroad, stopped further governmental additions to the money supply.
4. People earned and spent **their own money** as they saw fit.

Result of all these forces was that the inflation reached its peak one year and six months after the armistice.

If deflation had been as successful in Postwar II, the peak would have been reached in either November, 1946, or February, 1947. The agony has already been prolonged about a year.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DONAHUE BROS., Quebec, 1947 net profit was up sharply from 1946. The sharp improvement resulted from a larger production, the savings realized from capital improvements completed to date and the higher prices obtained for products.

An amount of $339,709 was invested in fixed assets during the year. In addition capital improvements have been authorized in the amount of $515,000, part of which will be recovered under the terms of agreements with a consumer of the company's products.

The company has been informed that the grant to leaseholds rights in the Murray River watershed will be given the company this year.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$1,150,107	$601,186
Less: Depr. & depl.	171,609	169,068
Income tax	467,147	200,751
Net profit	511,351	231,367
Less: Divds.	150,000	75,000
Surplus for year	361,351	156,367
Earnings per Share and Dividend Record:		
Common	$3.41	$1.54
Paid	1.00	0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$315,654	$220,744
Accts. rec.	486,507	369,207
Inventories	1,584,529	1,270,115
Total curr. assets	2,386,690	1,860,066
Misc. assets▲	165,860	141,732
Mach. pay'ts.	285,120	49,932
Fixed assets*	2,225,850	2,244,869
Total assets	5,063,520	4,296,599
Accts. & tax pay.	518,711	163,801
Adv. re pulp sls.	158,544	108,249
Total curr. liabs.	677,255	272,050
Note pay.	500,000	500,000
Capital stock	2,000,000	2,000,000
Earned surplus▲	1,886,265	1,524,549
▲Incl. ref. EPT	8,156	8,156
*After depr. of	2,910,922	2,787,382
Working capital	1,709,435	1,588,016

DEBENTURE & SECURITIES CORP. 1947 net profit was up 47.2%. Income from investments was up $15,268 at $65,212. Expenses were up $4,425 at $13,542. Changes in the portfolio resulted in a net gain of $54,896, which amount has been credited to capital surplus, (now $261,647).

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Inc. from invests.	$65,212	$44,862
Add: Misc. inc.	......	83
Less: Expenses	16,536	9,964
Loan interest	1,988	454
Deb. interest	......	2,042
Taxes	337	1,004
Net profit	46,351	31,481
Less: Pref. divs.	9,500	9,500
Com. divs.	30,422	21,730
Surplus for year	6,429	251
Earnings per Share and Dividend Record:		
Pref.: Earned	$24.40	$16.57
Paid	5.00	5.00
Com.: Earned†	8.48	5.06
Paid	7.00	5.00

†Shares held by public.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & accts. rec.	$11,850	$85,775
Investments♦	1,082,470	881,160
Total assets	1,094,320	966,935
Bank advances	70,131	......
Taxes & accruals.	761	1,100
Pref. div. pay.	4,750	4,750
Com. div. pay.	30,422	21,730
Pens. fund	......	10,000
Capital stock*	624,600	624,600
Capital surplus▲	261,647	206,751
Earned surplus	102,009	98,004
♦Market value	1,359,823	1,188,685

▲Represents net profit on changes in investments. *Held by public.

APEX CONSOLIDATED RESOURCES Mar. 1, installment of 200,000 shares of 10 cents has not been exercised and balance of agreement with Federal Trading & Agency Co. has been terminated by mutual consent.

CRANGOLD MINES has started negotiations for a drilling program to commence on its property in Boulamaque twp., Que., early in the spring.

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INCOME TAX

Dependents' Allowance

I am a widower. My mother and a widowed sister maintain a home in another town and support therein my widowed sister-in-law and her four children. My mother has a small business, which nets her a small taxable income, which becomes nontaxable when she claims deductions for several of her grandchildren. Because their total income is small I have to send home a goodly portion of each week's earnings. Is there any way I can claim deductions on account of these dependents?

It is assumed that you and your mother are the only ones who may be liable for income tax. Your widowed sister, widowed sister-in-law, and her four children are evidently all full dependents. As your mother supports them all in her home, she would be allowed to claim married status on account of one, say her daughter. Then you and your mother could divide the other dependents among you claiming as a deduction for each an amount not exceeding $100 for any child receiving family allowances and up to $300 for other dependents.

Repairs on Property

I have a business of my own. Is it in order to deduct the cost of repairs on my property used in the business as well as depreciation?

Yes. Repairs are deductible, also depreciation at the rate allowed for the type of building.

U. S. Withholding Tax

I hold some U. S. securities and when I get the income from them the U. S. "withholding" tax has been deducted at the source. I know I am entitled to some allowance on my Canadian tax on this account. Is this covered in item 55 of the 1947 income tax return?

Yes. You will find there an example of how to calculate the amount of your allowance.

INVESTMENTS

Hamilton Bridge Co.

I hold some shares of Hamilton Bridge Co. and would appreciate any comments you might make on the stock.

Hamilton Bridge Co.'s common stock is currently quoted $6½ bid to $7 asked a share as compared with the 1947-48 high of $9¼ and a low of $5¾.

Last Nov. the company declared an initial common dividend of 12½ cents a share payable Jan. 2, 1948. This was the first dividend to be paid by this company since a dividend of 25 cents a share was paid May 1, 1931, on its old common stock. This action would indicate that 1947 must have been a fairly satisfactory year. No report has yet been issued on the 1947 operations and it would not seem likely that one would appear until around April 1 as the 1946 annual report appeared April 5, 1947.

Earnings on the common shares have been 46 cents in 1946, 68 cents in 1945, 53 cents (44 cents) in 1944, 58 cents (40 cents) in 1943, $1 (77 cents) in 1942, 80 cents in 1941 and 67 cents in 1940. For 1942 to 1944 the figures in brackets represent earnings excluding refundable portion of excess profits tax while the first figure includes the refundable portion of this tax.

Working capital increased to $1,937,897 as at Dec. 28, 1946, from $1,721,738 at the end of the previous year. This is up substantially from its Dec. 31, 1939, figure of $319,931.

Capitalization consists of 245,750 no par value common shares. Opinion in the construction industry indicates that the management is considered both capable and aggressive.

Hamilton Bridge Co. fabricates and erects steel bridges, steel frames for buildings, railroad turntables, steel planks, steel telegraph and telephone poles, intake pipes, towers for waterworks, etc.

In 1944 it acquired control of Sawyer Massey Ltd. of Hamilton, an engineering firm engaged in the manufacture of road machinery, contractors' equipment, electrical furnaces and also the design and manufacture of all types of mechanical equipment.

Trident Porcupine

Could you tell where the property of Trident Porcupine is located and what work has been done on the property?

Trident Porcupine Gold Mines holds property in Turnbull township, Porcupine area, Ontario, where a program of diamond drilling is now being carried on following completion of a magnetometer survey. This area has not so far proved productive of any producers, but the Trident management is drill-testing a number of anomalies indicated by a geophysical survey. Geological formation intercepted is stated to be favorable. However, no details of any gold values being located have been received. The company is reported to have on hand, funds necessary to complete the present exploration program.

McColl-Frontenac

Please give me a review of the operations of McColl-Frontenac Oil Co. What is the company's present capacity and capitalization?

McColl-Frontenac is primarily an operating company, engaged in the refining of crude oil and in the distribution and marketing of practically all types of refined petroleum products. A subsidiary of the company is engaged in the production of crude oil in Trinidad, B.W.I., and subsidiaries operate three tankers primarily engaged in the transportation of crude oil from United States lake ports to the company's refinery at Toronto and in the distribution of petroleum products from the company's refineries to the marine terminal.

In addition, the company owns a 20% bond interest acquired in 1946 in two companies which operate connecting crude oil pipe lines between Portland, Maine, and Montreal.

Substantially all the crude oil required by the company is purchased from others under purchase commitments. During recent years approximately 50% of the company's requirements of crude oil have been furnished by Standard Oil Export Corp., supplying Venezuelan Oil under a long-term contract expiring Dec. 31, 1950. The remainder has been furnished by a number of other oil companies, largely supplying American oil under contracts of varying duration. The company expects to continue to receive a substantial portion of its requirements of crude oil from Standard Oil Export Corp. The refining facilities of McColl-Frontenac are not entirely adequate for the production of all the petroleum products marketed by it. Approximately 14% of the gasoline marketed by the company and a subsidiary during 1946 was purchased from others.

Transportation operations of the company are carried on by means of marine and automotive equipment for the transportation of crude oil and refined products to refineries, terminals and other marketing outlets, and railroad tank cars owned by the company or leased by it from nonaffiliated companies. Crude oil is delivered to the company from the company's subsidiary in Trinidad and from Venezuelan and United States gulf ports by ocean tankers under time or trip charter to the company from nonaffiliated companies.

The combined daily crude oil capacity of the company's two refineries, located at Montreal East and Toronto, was approximately 34,000 barrels as of Sept. 30, 1947. The daily crude oil capacity of the Montreal East refinery will, upon completion of a construction program, be approximately 40,000 barrels — an increase from its present 22,000 barrels.

The company owns 14 marine terminal storage plants and has ownership or leasehold property interests in 197 bulk stations and 544 retail service stations. All of these facilities are located in Canada.

The capitalization of the company as of Sept. 30, 1947, and as adjusted to give effect to (1) maturity and payment on Oct. 1, 1947, of $500,000, principal amount of the company's 3% first mortgage serial bond, 1946 series (2) subdivision of the common shares of the company on a two for one basis effective on Nov. 20, 1947 (3) issue on Dec. 8, 1947, of $7.5 million, principle amount of the company's 3¼% first mortgage sinking fund bonds, 1947 series and (4) issue of the 900,000 additional common shares recently offered, is as follows:

The first mortgage bond, authorized $20 million. Of this amount $5.5 millions of 3% first mortgage serial bonds 1946 series are outstanding; 3% first mortgage sinking fund bonds 1946 series $6.5 millions outstanding; 3¼% first mortgage sinking fund bonds 1947 series, $7.5 millions outstanding. In addition there is 4% cumulative redeemable preferred shares of $100 par value, 100,000 shares authorized, of which 60,000 shares are outstanding and common shares authorized 4,975,526 of which 2,700,000 shares are outstanding.

McColl-Frontenac entered into an agreement, effective Nov. 1, 1947, with the Texas Co., which provides for the joint exploration and development of the company's entire interests in Alberta, with the exception of the Patowki Lake area. The American company will undertake to extend up to $3.5 millions, in consideration of which McColl-Frontenac will assign a 50% participation in its Alberta interests.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CASSIDY'S LTD. 1947 net profit was off 16.6%. During the year expediency necessitated the liquidation of certain undesirable and substitute lines of merchandise.

An appropriation of $154,564 was made from surplus account to provide for the purchase and cancellation of 1,168 shares of the preferred stock.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$447,246	$609,196
Less: Deprec.	25,697	24,683
Inc. tax res.	159,304	269,900
Net profit	262,245	314,613
Less: Pref. divds.	194,082	282,940
Surplus for year	68,163	31,673
Earnings per Share and Dividend Record:		
Preferred	$16.93	$19.46
Paid	7.00+5.25†	7.00+10.50†
Common	2.04	2.72
None paid.		

†Arrears.

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1947	1946
Cash & Dom. bds.	$504,488	$665,163
Accts. rec.	919,154	908,329
Inventories	1,746,260	1,757,965
Total curr. assets	3,169,902	3,331,457
Invest. Elkington & Co.	80,400	88,600
Misc. assets▲	56,330	55,958
Fixed assets	919,512	887,751
Total assets	4,226,144	4,363,766
Total curr. liab.	600,276	660,949
Reserves: Bldg., conting, etc.	743,343	729,171
Capital stock	1,623,365	1,690,965
Capital surplus	131,880	......
Earned surplus▲	1,127,280	1,282,681
▲Incl. ref. EPT	52,836	52,835
Working capital	2,569,626	2,670,508

CANADA STARCH CO. 1947 net profit showed a sharp improvement over 1946. The improved financial position reflected a more healthy situation in the supply of corn during the year. It was possible to operate at capacity. During the three previous years production was seriously affected due to shortage of corn.

The increased cost of raw material necessitated a corresponding advance in prices. Later the company was able to lower prices moderately due to some reduction in costs. Sales volume was the highest on record being about 65% greater than 1939.

The over-all picture for the current year is obscure owing to the uncertainty of the commodity markets and the impossibility of foretelling at the present time what the crop prospects are going to be, it is stated. The increased cost of corn, with removal of subsidy, put a heavy strain on the company's working capital and resulted in a large overdraft and bank loan shown at the end of the year.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$781,641	$63,871
Less: Deprec.	302,317	160,412
Inc. tax res.	222,000	......
Add: Prof. on invest.	......	440
Prof. on asset sale	22,004	......
Net profit	279,328	▪96,101
Less: Pref. divds.	161,128	......
Surplus for year	118,200	▪96,101
▪Loss or deficit.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$9.10	d$3.13
Paid	3.50+1.75*	nil
Common: Earned	1.09	d5.24
None paid.		

*Arrears.

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1947	1946
Cash	$76,850	$22,767
Accts., etc., rec.	1,177,916	1,203,273
Cls. for govt. sub.	....	49,900
Inventories	3,406,345	1,558,718
Total curr. assets	4,661,111	2,834,658
Prep. ins.§	14,573	14,875
Invest. in subs.	54,540	71,487
Fixed assets*	1,814,094	1,812,745
Total assets	6,544,318	4,733,765
Bank loan, etc.	2,001,426	442,599
Accts. & tax pay.	576,705	443,179
Total curr. liab.	2,578,131	885,778
Conting. & invent. res.	279,070	279,070
Capital stock	3,365,725	3,365,725
Capital surplus	8,001	8,001
Earned surplus	313,391	195,191
*After depr. of	3,033,319	2,808,239
§Incl. in curr. assets in co's. report in 1947.		
Working capital	2,082,980	1,948,880

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Western Group Lays Gas Plan Before Ottawa

First official word on a long-rumored pipeline project to transport natural gas from the Alberta gas fields to Winnipeg came this week with the filing of an application with the Dominion Parliament for incorporation of the Western Province Pipe Line Co.

The bill, to be introduced soon by Senator T. A. Crerar, will provide for construction and operation of a pipeline from the Calgary district to Winnipeg, as well as construction of gas reservoirs in the Calgary area. The pipeline, to follow the CPR, would service cities and other centres between Alberta and Manitoba centres. Branch lines would be constructed to Saskatoon, Prince Albert and other centres.

Sponsors of the proposed line are all Winnipeg men, L. D. M. Baxter, financial agent; Edward A. Nanton, broker; D. A. B. Murray, broker; G. P. Osler, broker, and Harold G. Tucker, insurance manager.

Possibility of eventual continuance of the line to Ontario and Quebec is seen by some proponents of the project. Against this is the much greater construction cost involved, Eastern gas officials state. At any rate the larger project is much in the future and would not be considered until authoritative evidence was forthcoming as to the over-all gas reserves of Alberta. Some sources estimate that the Calgary-Winnipeg line would cost around $30 millions.

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CANADIAN INDUSTRIES LIMITED

LONDON CALLING—By Adelphi

Profit-Pegging to Cut Production? Beaverbrook Blasts Film Concession

LONDON — Summer has come to England. With the month of March not yet at the half-way mark, overcoats have been discarded, people are sunning themselves in the parks, and the trees are in bud. Never in living memory has summer leapfrogged over spring at such an early date.

But nowhere is the sun shining so radiantly as over Conservative headquarters. Mr. Churchill is beaming like a cherub. Lord Woolton, the party chairman, is walking with the spritely step of Malvolio after finding his lady's letter. And young Mr. Harris, a self-made business man of North Croyden is smiling from ear to ear.

To explain all this excitement I must ask you to look at the general election figures for North Croydon in 1945.

Tory	23,417
Socialist	22,810
Liberal	10,714

If you add the figures carefully you will see that the Tory held the seat by 607 votes.

Now I must ask you to look at the figures of the by-election which has just taken place.

Tory	36,200
Socialist	24,536
Liberal	6,321

In other words the Tory plurality is increased from 607 to 11,664.

* * *

All sorts of issues hung in the balance. At Gravesend, where they were victorious, the Socialists ran Sir Richard Acland, Baronet, and the Tories ran a local business man. At North Croydon the Socialists chose the younger son of a peer as their champion and again the Tories stuck to the self-made man. I agree that it is as paradoxical as Gilbert and Sulivan. But if the snob appeal of the Socialist candidates had again proved successful the Tories might have had to abandon their democratic tactics.

Admittedly Sir Stafford Cripps did not help matters by issuing the White Paper (christened "The Black Paper" by Churchill) showing that the nation was bust unless it received aid from America. That, however, was not a deciding factor.

To a large extent it was a vote for Churchill, whose prestige is rising again. On the eve of the poll he toured the constituency, which is a suburb of London, and received a tumultuous welcome. There will be a mighty roar from the Tories when Harris the victor, takes his seat.

* * *

Concession on Films Pacifies Hollywood

Hollywood is also happy. The ban on American films has been lifted, or at any rate eased, and the Big Boys in California will leave the wailing wall where they have been holding forth for the last few weeks. It is no joke for any industry to have $50 or $60 millions of revenue cut off. In fact the American producing companies were facing a really serious crisis.

Now Sir Stafford Cripps has relented and is going to let them have $17 millions a year plus whatever they can earn by showing British films in the United Staes. Never did a lollipop taste so good to a child as those millions to Hollywood.

Lord Beaverbrook, newly home, promptly turned the guns of the Daily Express on Sir Stafford. The spectacle of British films earning dollars for the Americans was too much for the Chancellor of the University of New Brunswick. Incidentally, I liked the comment of the Weekly Recorder on his return:

"The phoney peace in Fleet Street is now at an end and will be succeeded by the phone war."

A tribute to the Beaver's love of telephones which needed no explaining to his colleagues, friends or enemies. He will only remain in England until May when he goes gack to college at New Brunswick.

* * *

Following Cripps' sweet reasonableness over films, there has arisen a great demand for a lifting of the private motoring ban. Many holiday hotels are facing ruin and their laments are almost as noisy as were those of the filmmakers in Hollywood. The Chancellor has already conceded that foreign visitors can have petrol for touring and I believe that he will make a seasonal concession at least for the long-suffering British. It will probably take the form of declaring that so much petrol, and no more, will be imported and that if everyone plays fair there should be enough for all motorists to have a little.

Once upon a time this appeal might have worked but too many restrictions have dulled the fine edge of British fair play. There is always the man who says: "Well, an extra six gallons of petrol can't make any difference." That is true, unless 100,000 motorists all say the same thing.

* * *

Profit-Pegging To Peg Production?

Cripps' budget will be opened on April 6 and we shall then find what new turns of the thumbscrew are ahead of us. Cripps wants to peg wages and profits in order to stop inflation and bring down prices. The Federation of British Industries, representing private enterprise, has suggested that profits should be pegged according to what was paid in the last financial year.

This would seem a reasonable proposition but in fact it would be very unfair to those companies that followed Dr. Dalton's plea to keep dividends down, and would benefit the companies that refused to accept the then Chancellor's advice. In addition the Tories are saying that pegged wages and pegged profits will result in pegged production. So far Cripps has not been assailed from any quarters but his budget will show whether this immunity will last.

* * *

Flat racing has now opened for the season while the hurdlers will wind up as usual in the Grand National steeplechase. The bookmakers, who pay no tax because betting is not legalized, will sit back and reap in the money. So far I have not heard anything of our horse Toronto but it will no doubt turn up. I am glad to report that after some delay Mr. Floyd Chalmers has paid the £1 which I mistakenly placed for him on that temperamental animal.

* * *

The suicide of Jan Masaryk shocked his many friends in London. The taking of one's own life is aginst the Christian creed but his friends regard his suicide as an act of courage, comparable to that of a soldier who charges a gun to save his comrades. No single action could have so clearly exposed the Communist claims that the rape of Czechoslovakia was accomplished with the willing consent of the victim.

Strangely enough, according to Anthony Eden, messages had reached London warning his friends to expect dramatic news of Jan Masaryk. It would seem that his suicide was decided upon in cold blood.

He was a man of high spirits and sharp wit. Now he must be numbered among the martyrs.

Defense Dept. Builds Houses

From Our Own Correspondent

EDMONTON — Construction of 50 houses costing $8,000 each for married personnel of the permanent Army and Air Force immediately south of the Edmonton airport will start within 30 days. Mayor Ainlay has announced. Installation and maintenance of sewers, paved streets, sidewalks, landscaping and utility services are expected to add $100,000 to total cost of the project.

The Department of National Defense will be responsible for this construction. The city is to transfer 25 acres of city land to the Dominion Government. Because of its proximity to the airport this land is considered unsuitable for civilian dwellings. In event of sale of the houses by the Government, the city will be paid $300 for each lot in the area.

Originally it had been suggested the Defense Dept. provide its own school buildings for children of residents in the armed forces community and then pay city teachers. The clause was struck out of the agreement after the school board inspected buildings available and said it preferred to transfer pupils to downtown schools.

ANSLEY GOLD MINES Mar. 2 installment of 66,666 shares at 15 cents a share and each subsequent installment under agreement with Draper Dobie & Co. have been extended for three months.

69 Die in B. C. Bush Accidents

Logging accidents in British Columbia during 1947 took a toll of 69 killed and 7,714 injured.

In addition, 23 others lost their lives and 5,927 were injured in sawmills, pulp and paper plants and other wood manufacturing plants.

Biggest single hazard in the logging industry is slipping and falls. Of the 7,783 casualties last year, 2,578 were hurt this way.

Next in order: saw cuts, rolling logs, struck by falling chunks of wood; cable jagger cuts and splinters; falling trees.

Fallers and buckers topped the injury list, followed by chokermen, loaders and power-saw operators.

New 'Fringe' Land Is Being Developed

Six projects have been started under the National Housing Act's new section 11B added last year, a "fringe" land development scheme under which Ottawa's official Central Mortgage & Housing Corp. is guaranteeing life insurance and other big building loan companies against loss in buying land near big centres installing sewers, water mains, etc., and selling the lots to builders at cost.

As of Feb. 28 agreements had been executed and development commenced on six projects, with five others then under negotiation.

The six mentioned as okayed and started:

1. Montreal (Mt. Royal district) 20 acres, 146 lots, by Mutual Life;
2. Toronto (North York twp) 122 acres, 383 lots, Sun and Mutual;
3. Hamilton (town of Burlington) 30 acres, 154 lots, London Life;
4. Winnipeg (St. Boniface) 37.5 acres, 205 lots, London Life;
5. Edmonton (south) 12.6 acres, 75 lots, North American;
6. Vancouver (Hastings townsite) 9.6 acres, 96 lots, Sun.

These developments, averaging 38.6 acres and 176.5 lots, or about 4.4 lots per acre, thus may make quite a splash in the suburban real estate market in weeks ahead. They offer builders newly serviced land close to big centres without developer's profit.

SENATOR ROUYN Feb. 11 installment of 20,000 shares at 70 cents a share and each subsequent installment have been extended for two months.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

QUINTE MILK PRODUCTS 1947 net profit was up 27%. Sales and production were maintained at a satisfactory level, President A. L. A. Richardson states. Increasing costs of raw materials, in the face of generally declining commodity prices, have made it desirable to take additional precautions, and therefore $7,500 has been transferred to reserve for contingencies—increasing this reserve to $15,000.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$115,998	$118,592
Less: Deprec.	19,525	17,199
Pension fund	......	14,065
Conting. res.	7,500	......
Inc. tax reserve	42,058	50,436
Net profit	46,915	36,892
Less: Dividends‡	26,988	14,127
Surplus for year	19,927	22,765

‡After deducting subsid. cos. portion of $1,973 in 1946, $4,788 in 1947.

Earnings per Share and Dividend Record:		
Class A†	$1.22	$0.96
Class A‡	1.09	0.89
Paid	0.45	....
Class B‡	0.49	0.29
None paid.		
Com. (old): Paid	0.15+0.10	0.25+0.10

†Before (‡after) participation.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$51,140	$102,429
Accts. rec.	40,116	24,717
Inventories	36,249	39,890
Total curr. assets	127,505	167,036
Misc. assets▲	8,739	9,067
Fixed assets*	131,576	109,485
Total assets	267,820	285,588
Total curr. liab.	32,779	63,697
Contingent res.	15,000	7,500
Capital stock†	87,706	108,800
Earned surplus▲	182,335	105,591
*After deprec. of	215,406	199,217
▲Incl. ref. EPT	7,091	7,091
†After deducting shs. held by subsid.		
Working capital	94,726	103,339

CROWN CORK & SEAL CO. 1947 net profit was off approximately $20,000 at $333,037. Working capital position at year end stood at $1,320,210—up $540,128 from previous year-end.

INCOME ACCOUNT

Years Ended Dec 31:	1947	1946
Net earnings	$606,840	$756,857
Less: Income tax	232,760	345,122
Debent. exp.	2,551	.....
Asset sale loss	......	32
Empl. pensions	62,755	59,683
Add: Invest. prof.	263	1,233
Inv. res. adj.	22,000	......
Net profit	333,037	353,253
Less: Dividends	200,000	200,000
Surplus for year	133,037	153,253
Earnings per Share and Dividend Record:		
Common	$3.33	$3.53
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$429,854	$191,317
Accts. rec.	272,345	156,120
Inventories	1,010,194	873,217
Total curr. assets	1,712,393	1,220,654
Investments	26,385	26,384
Misc. assets▲	161,865	169,652
Fixed assets*	1,035,047	856,352
G'will, patents, etc.	2	2
Total assets	2,935,692	2,273,044
Total curr. liab.	392,183	440,572
Funded debt	600,000	......
Invent. & cont. res.	50,000	72,000
Capital stock	695,000	695,000
Dist. surplus	75,000	75,000
Earned surplus▲	1,123,509	990,472
*After deprec. of	663,604	610,406
▲Incl. ref. EPT	149,610	150,513
Working capital	1,320,210	780,082

CANADIAN OIL COS. 1947 net profit was off 14.3%. Capital assets increased $3,421,980 during the year. The company has acquired a six-story office building at the corner of Richmond and Simcoe Streets, Toronto, to house the head office and division office staffs. By new financing the company was able to retire the outstanding 4% first mortage bonds, series A, and provide additional funds to the extent of $3,327,500.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net income	$2,450,052	$2,707,544
Less: Deprec. res.	945,505	758,195
Bond int.	126,638	80,000
Emp. pens. fund	70,000	70,000
Inc. tax res.	576,300	945,000
Net profit	731,589	854,349
Less: Pref. divs.	238,877	210,000
Com. divds.	323,200	317,200
Surplus for year	169,512	327,149
Times Interest Earned:		
Before deprec.	19.34	33.84
After deprec.	11.88	24.37
Earnings per Share and Dividend Record:		
Preferred*	$18.29	$28.48
Paid (8%)	8.00	8.00
Paid (5%)	5.00	5.00
Paid (4%)	2.88767	....
Common	1.22	1.59
Paid	0.80	0.57½+0.22½

*Combined 8% and 5% in 1946; 8%, 5% and 4% in 1947.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$902,155	$832,819
Accts. rec.	1,702,200	1,354,298
Inventories	4,318,894	4,315,584
Total curr. assets	6,923,249	6,502,701
Misc. assets▲	2,144,153	1,339,773
Fixed assets	18,986,911	15,564,931
Total assets	28,054,313	23,407,405
Total curr. liab.	2,952,575	3,155,042
Funded debt	4,500,000	2,000,000
Deprec. res.	9,450,594	8,712,745
Invent. res.	180,000	180,000
Mtge. pay. & def. liabs.	657,913	215,900
Capital stock	8,340,932	7,340,932
Surplus▲	1,972,299	1,802,786
▲Incl. ref. EPT	272,702	272,702
Working capital	3,970,674	3,347,659

Alberta Fish Catch Record 20 Million Lb.

From Our Own Correspondent

EDMONTON—Record haul of 11 million lb of fish was taken from Alberta lakes last year.

Tullibee headed the list with 6.6 million lb., which is attributed by fish and game officials to the demand of mink ranchers for fish as mink food. Whitefish came next with 2.6 million lb.; pickerel with 610,000 lb.; pike 580,000 lb; perch 250,000 lb. and trout 110,000 lb.

Largest fishing operations centred on Lake Athabasca by McInness Products Ltd. The fish are loaded on company planes and flown to the railhead at Waterways. Biggest export markets for Alberta fish are Ontario, New York, Chicago and Detroit.

VERNEY CORP., Boston, Mass., net profit for 1947 amounted to $2,907,327. Net sales of $29,932,667 were an increase of 22% over 1946. At the Canadian unit at Granby, Que., novelty fabrics including dress materials, swim-suits and elastic fabrics, corset goods, shoe cloths, and drapery and upholstery fabrics, are manufactured.

TOP LEFT: Logs after stripping in large hydraulic barker. Handles logs up to 6 feet in diameter and 26 long. Bark is stripped by high pressure water jets operating at 1,300 lbs. pressure. No wastage of wood as bark is exploded cleanly from logs. Considerable saving effected over old methods of drum and hand barking.

TOP RIGHT: Small log barker. Handles logs up to 18" in diameter. Previously this small timber could not be utilized as equipment was not available to handle it. with this installation, considerable savings are made and more complete utilization of the forest product is realized.

ABOVE: Log in process of being passed through whole log chipper. This machine is an 11 foot disk with knives mounted on it turning at 250 revolutions per minute and can reduce 26" log 26 feet long to small uniform chips in 30 seconds. Effects saving over old method of chipping.

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